

Final Report

**State of Indiana
Consolidated Plan Update**

FY2004

DUNS No. 80-989-6723

Final Report

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**2004 Indiana Consolidated Plan Update
DUNS No. 80-989-6723****Prepared for**

State of Indiana
Department of Commerce
Indiana Housing Finance Authority
Indiana Family and Social Services Administration
One North Capital Avenue, Suite 600
Indianapolis, Indiana 46204

Prepared by

BBC Research & Consulting
3773 Cherry Creek N. Drive, Suite 850
Denver, Colorado 80209-3827
303.321.2547 fax 303.399.0448
www.bbcresearch.com
bbc@bbcresearch.com

in association with

The Keys Group
5205 West Tamarac Drive
Muncie, Indiana 47304



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Map of Indiana Counties



Frequently Used Acronyms

Acronym	Definition
AHP	Affordable Housing Program – a grant program through the Federal Home Loan Bank
BMIR	Below market interest rate
CAP	Community Action Program agency
CBDO	Community Based Development Organization – as defined by the CDBG regulations in 24 CFR 570.204(c)
CDBG	Community Development Block Grants (24 CFR Part 570)
CHDO	Community housing development organization – a special kind of not-for-profit organization that is certified by the Indiana Housing Finance Authority
CPD Notice	Community Planning and Development Notice – issued by the U.S. Department of Housing and Urban Development to provide further clarification on regulations associated with administering HUD grants
DHPA	Division of Historic Preservation and Archeology, a division of the Department of Natural Resources and serves as the State Historic Preservation Officer for Indiana
DNR	Department of Natural Resources
ESG	Emergency Shelter Grant – operating grants for emergency shelters. Applied for through the Family and Social Services Administration
FEMA	Federal Emergency Management Agency
FHLBI	Federal Home Loan Bank of Indianapolis
First Home	Single family mortgage program through IHFA that combines HOME dollars for down payment assistance with a below market interest rate mortgage
FMR	Fair market rents
FMV	Fair market value
FSP Memo	Federal and State Programs Memo – issued by IHFA to provide clarification or updated information regarding grant programs IHFA administers
FSSA	Family and Social Services Administration
GIM	Grant Implementation Manual – given to all IHFA grantees at the start-up training. It provides guidance on the requirements of administering IHFA grants.
HOC/DPA	Homeownership Counseling/Down Payment Assistance
HOME	HOME Investment Partnerships Program (24 CFR Part 92)
HOPWA	Housing Opportunities for Persons With AIDS – grant program awarded by HUD to the State Department of Health and administered by AIDServe Indiana.
HUD	U.S. Department of Housing and Urban Development
IACED	Indiana Association for Community Economic Development
ICHHI	Indiana Coalition on Housing and Homeless Issues, Inc.
IDEM	Indiana Department of Environmental Management

Frequently Used Acronyms

Acronym	Definition
IDFA	Indiana Development Finance Authority
IDOC	Indiana Department of Commerce
IHFA	Indiana Housing Finance Authority
LIHTF	Low Income Housing Trust Fund
MBE	Minority Business Enterprise – certified by the state Department of Administration
NAHA	National Affordable Housing Act of 1990 – federal legislation that created the HOME Investment Partnerships Program
NC	New construction
NOFA	Notice of Funds Availability
OOR	Owner-occupied rehabilitation
PITI	Principal, interest, taxes, and insurance – the four components that make up a typical mortgage payment
QCT	Qualified census tract
RFP	Request for Proposals
RHTC	Rental Housing Tax Credits (also called Low Income Housing Tax Credits or LIHTC)
S+C	Shelter Plus Care - part of the McKinney grant that is applied for directly to HUD through the SuperNOFA application
SHP	Supportive Housing Program - part of the McKinney grant that is applied for directly to HUD through the SuperNOFA application
SHPO	State Historic Preservation Officer (the Division of Historic Preservation and Archeology serves in this capacity for the State of Indiana)
SIRD	Southern Indiana Rural Development Project
SRO	Single room occupancy
SuperNOFA	Notice of Funds Availability issued by HUD for a number of grant programs. It is an annual awards competition. Shelter Plus Care and Supportive Housing Program and Housing Opportunities for Persons With Aids are some of the programs applied for through this application process.
TBRA	Tenant-Based Rental Assistance
TPC	Total project costs
URA	Uniform Relocation Act
WBE	Women Business Enterprise – certified by the state Department of Administration

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Background on the Consolidated Plan

Beginning in FY1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Purpose of the Consolidated Plan is:

1. To identify a state's housing and community development needs, priorities, goals and strategies; and
2. To stipulate how funds will be allocated to state housing and community development nonprofit organizations and local governments to meet the identified needs.

Preparation of a five year Consolidated Plan and an annual update is required by states and entitlement cities in order to receive federal funding for the following programs: the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program, the Emergency Shelter Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA).

This report presents the results of the FY2004 Consolidated Planning effort. The 2004 Consolidated Plan Update provides new information and trends related to the State of Indiana's current and future housing and community development needs. The report contains data gathered through regional forums, key person interviews and secondary sources. The report also contains new funding levels, program dollar allocations and the FY2004 One Year Action Plan.

Lead and participating agencies. The Indiana Department of Commerce (IDOC) and the Indiana Housing Finance Authority (IHFA) were responsible for overseeing the coordination and development of the Update. The Indiana Family and Social Services Administration (FSSA) also contributed to its development. In addition, individuals from the following organizations assisted with the FY2004 Update: the Indiana Coalition on Housing and Homeless Issues (ICHHI); the Indiana Association for Community Economic Development (IACED); the Indiana Civil Rights Commission (ICRC); Rural Opportunities, Incorporated (ROI); the Indiana Institute on Disability and Community; and the U.S. Department of Housing and Urban Development (HUD).

The State of Indiana's 2004 Consolidated Plan Update was prepared in accordance with Sections 91.300 through 91.330 of HUD's Consolidated Plan regulations.

Citizen participation process. Approximately 520 citizens participated in the development of the Consolidated Plan through attendance at six regional public forums, responding to a Statewide community survey, sending comments during the 30-day public comment period, and attending two public hearings. The information gathered from citizen input was used in conjunction with research from other sources to develop the FY2004 funding allocation plan.

Trends in Housing and Community Development

A review and analysis of 2000 and 2002 Census data, other economic data, reports and information collected in key person surveys showed that the State has experienced a slowdown in population and job growth. An analysis of housing affordability indicators from the 2002 Census showed that the State's low-income households are the most likely to be cost constrained in affording both rental and single family housing.

Population growth. New data released from the U.S. Census Bureau showed that the State is growing more slowly than it did over the last decade. The Census Bureau's most recent population estimate indicates that Indiana's population has grown to 6,195,643 — an increase of 1.7 percent from the 2000 Census to July 1, 2003. Although slower than nationwide growth, Indiana's growth is on par with surrounding states; Missouri grew at the highest rate of 1.8 and Ohio grew at the lowest rate of 0.6 percent.

The following exhibit shows county growth patterns from 2000 to 2002. Counties growing at above-average rates since 2000 are, for the most part, clustered around the State's largest metropolitan areas, while counties with declining population are mostly east of the Indianapolis MSA.

Exhibit ES-1. Population Change of Indiana Counties, 2000 to 2002

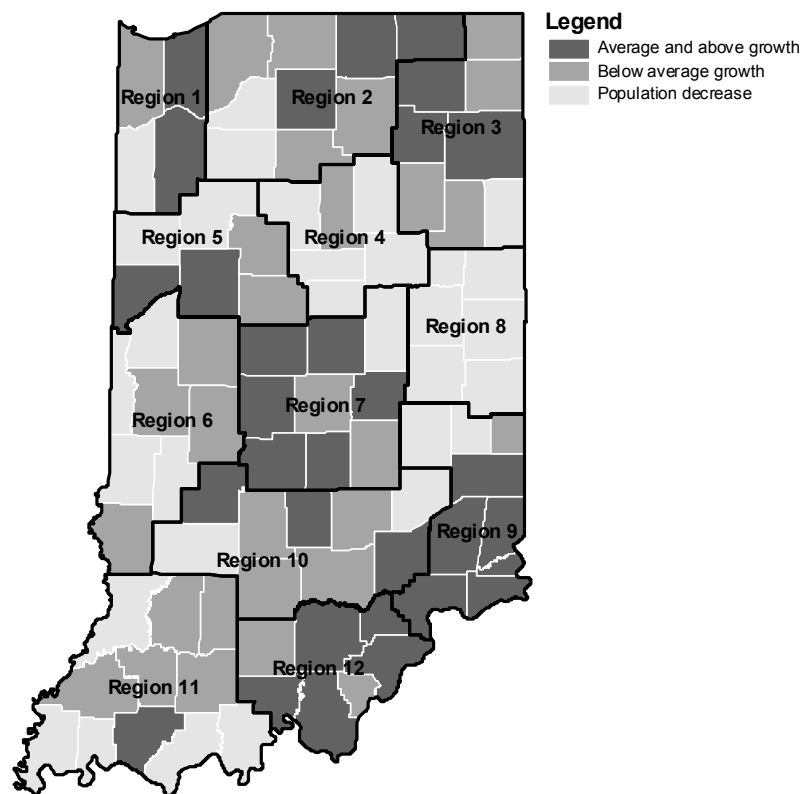
Note:

Indiana's population change was 1.29 percent from 2000 to 2002.

The regions referred to are the same as the Commerce Regions as provided on the Stats Indiana website.

Source:

2000 U.S. Census, U.S. Census Population Estimates, 2002, and BBC Research & Consulting.



Age. As of July 1, 2002, almost 60 percent of the State's population was between the ages of 20 and 60 years. Overall, 12 percent of Indiana's population was aged 65 years and over. Sixty-five of the 92 counties in Indiana had a higher percent of population aged 65 years and over than the State average, as is shown in Exhibit ES-2.

**Exhibit ES-2.
Percent of County
Population 65 Years and
Over, 2002**

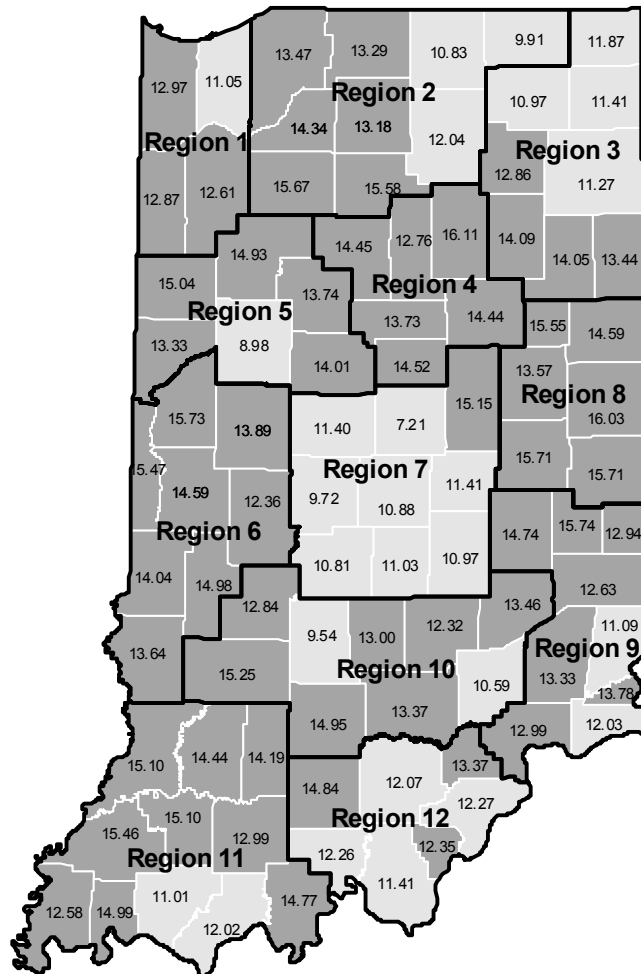
Note:

In 2002, 12.3 percent of the State's population was 65 years and over.

The shaded counties have a higher percentage of their population who is 65 years and over than the State.

Source:

Population Division, U.S. Census Bureau.



Racial/ethnic diversity. According to a Census comparison of racial and ethnic population of Indiana for 2000 and 2002, the State has become slightly more racially and ethnically diverse, as shown below. The strongest growth by race and ethnicity has occurred for Asians, Native Hawaiians and Pacific Islanders, Hispanics/Latinos and persons of Two or more races.

Exhibit ES-3.

Change in Race and Ethnic Composition for Indiana, 2000 and 2002

	2000	2002	2000 to 2002 Percent Change
Total population	6,080,485	6,159,068	1.3%
White alone	5,428,465	5,481,336	1.0%
Black or African American alone	516,246	525,151	1.7%
American Indian and Alaska Native alone	16,655	17,249	3.6%
Asian alone	60,818	69,776	14.7%
Native Hawaiian and Other Pacific Islander alone	2,380	2,747	15.4%
Two or more races	55,921	62,809	12.3%
Hispanic or Latino (of any race)	214,536	236,367	10.2%

Source: Population Division, U.S. Census Bureau.

Exhibit ES-4 illustrates the percentage of the county's whose African American population – the second largest racial category in Indiana for 2002 – is higher than the Statewide percentage of 8.5 percent. It should be noted that these data do not include racial classifications of two or more races, which include individuals who classify themselves as African American along with some other race.

Exhibit ES-4.

**Counties with a Higher
Rate of African
Americans than the
State, 2002**

	African American Population	Percent of Population
Indiana	525,151	8.5%
Allen County	38,653	11.5%
Lake County	124,178	25.5%
LaPorte County	11,055	10.0%
Marion County	215,944	25.0%
St. Joseph County	30,706	11.5%

Source:
Population Division, U.S. Census Bureau.

As shown above, the State's African American population is highly concentrated in the State's urban counties. These counties contain 80 percent of the African Americans in the State.

Exhibit ES-5 below, shows the percentage of population by county that is Hispanic/Latino in 2002 for the 13 counties that have a Hispanic/Latino population above the State average of 3.5 percent. These counties are mainly located in the northern portion of the State.

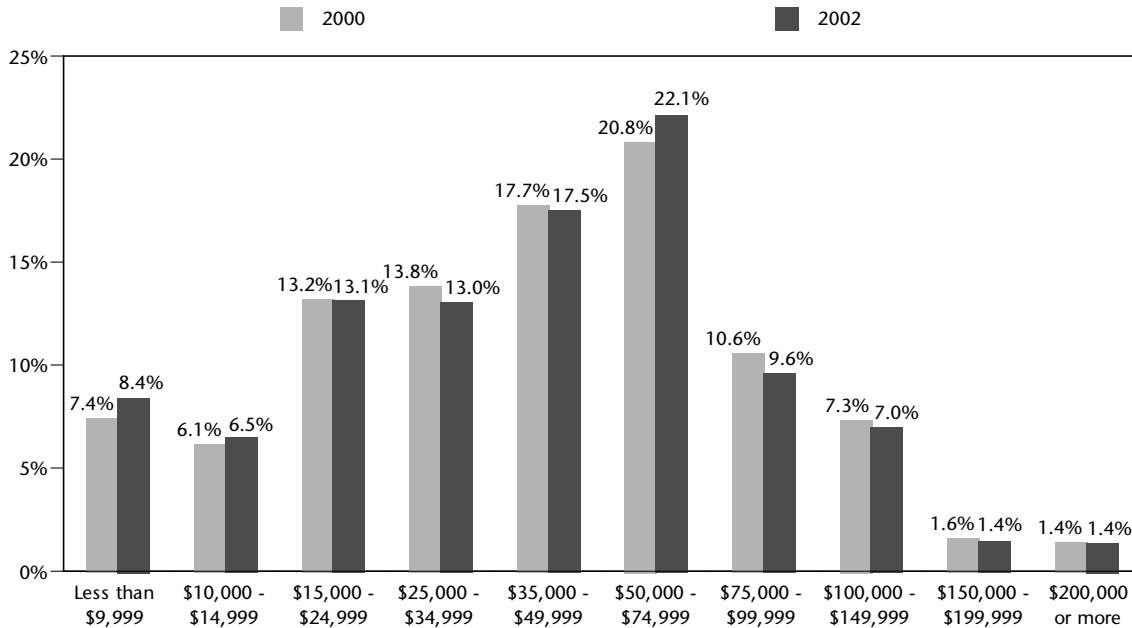
**Exhibit ES-5.
Counties with a Higher
Rate of Hispanic/Latino
Persons than the State
Overall, 2002**

Source:
Population Division, U.S. Census Bureau.

	Hispanic/Latino Population (can be of any race)	Percent of Population
Indiana	236,367	3.8%
Allen County	15,654	4.6%
Cass County	3,227	7.9%
Clinton County	3,032	8.9%
Elkhart County	18,990	10.2%
Kosciusko County	3,993	5.3%
Lake County	61,580	12.6%
Marion County	38,922	4.5%
Marshall County	3,099	6.8%
Noble County	3,871	8.2%
Porter County	7,690	5.1%
St. Joseph County	13,558	5.1%
Tippecanoe County	8,660	5.7%
White County	1,464	5.9%

Income growth. According to the 2002 Census, the median household income in the State was \$41,906. This represents a 1.2 percent *decrease* from the 2000 median household income (\$42,243 – in 2002 dollars) after adjusting for inflation.

Exhibit ES-6 shows the distribution of income in the State in 2000 and 2002 (in 2002 inflation adjusted dollars). The percentages of households in the lower-income brackets increased for income ranges up to \$14,999. The largest increase by income bracket occurred in the \$50,000 to \$74,999 range. The number of households with incomes in this income range grew at a rate of 8 percent from 2000 to 2002. Most income brackets showed declining or stagnant growth.

Exhibit ES-6.**Percent of Households by Income Bracket, State of Indiana, 2000 and 2002**

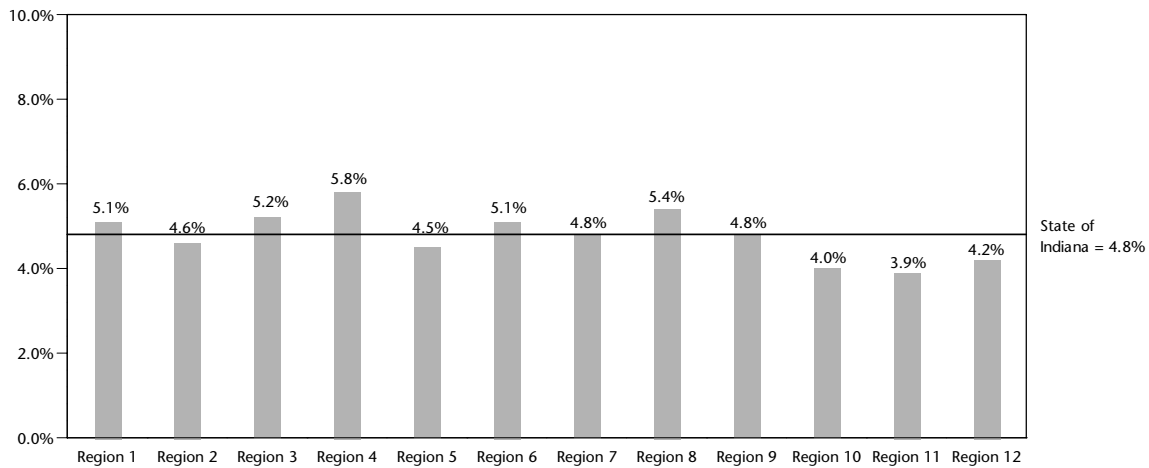
Note: Brackets are adjusted for 2002 inflation adjusted dollars.

Source: 2000 and 2002 American Community Survey, U.S. Census Bureau.

Employment conditions. As of September 2003, the average unemployment rate in Indiana was 4.8 percent, up from 4.7 percent in December 2002, and down from 5.1 in December 2001. Unemployment rates rose significantly in 2001 and 2002 after hovering below 3.5 percent from 1996 through 2000.

Seven of the 12 Commerce Regions had unemployment rates either the same or higher than the State's September 2003 unemployment rate of 4.8 percent. Commerce Region 4 had the highest unemployment rate of 5.8 percent, and Region 11 had the lowest rate of 3.9 percent. Exhibit ES-7 shows the unemployment rates for the 12 Commerce Regions for September 2003.

Exhibit ES-7.
Unemployment Rate for Indiana and Commerce Regions, September 2003



Source: Indiana Department of Workforce Development.

Like much of the nation, the recent economic downturn has heightened concerns about employment conditions throughout the State. According to the Indiana Business Research Center, in terms of job losses, Indiana has been hit harder by the recent recession than most states and the U.S. overall. In 2001, Indiana led the nation in the percent decline in jobs from 2000 at 2.2 percent. Conditions improved in 2002, however, as the State cut its rate of job losses.

Housing affordability. Indiana cities continue to be among the most affordable for homeownership according to the Housing Opportunity Index (HOI) calculated by the National Association of Home Builders (NAHB). The 2002 Census estimated the median value of an owner occupied home in the State as \$100,762. This compares with the U.S. median of \$136,929 and is the second lowest median compared to surrounding states, as shown in Exhibit ES-8 on the following page.

**Exhibit ES-8.
Regional Median Owner
Occupied Home Values, 2002**

Note:

The home values are in 2002 inflation adjusted dollars for specified owner occupied units.

Source:

U.S. Census Bureau's American Community Survey, 2002.



Indiana's median gross rent (including contract rent) plus utilities and fuels, was \$545 per month in 2002.

Although housing values in Indiana are still affordable relative to national standards, many Indiana households have difficulty paying for housing. Housing affordability is typically evaluated by assessing the share of household income spent on housing costs, with 30 percent of household income being the affordability threshold. The 2002 Census reported that 17 percent of all homeowners (240,000 households) in the State were paying more than 30 percent of their household income for housing in 2002, and 40 percent of Indiana renters (238,000) paid more than 30 percent of household income for gross rent.

The State's low-income households are more likely to be cost burdened, as shown in Exhibits ES-9 and ES-10 on the following page

Exhibit ES-9.**Cost Burden by Income, Owner Households with a Mortgage, 2002**

% of Median Household Income	Income Cut-Off	Cost Burdened Owner Households	% of Households Cost Burdened	Owners with a Mortgage
less than or equal to 30%	\$12,390	35,449	92%	38,730
31% to 50%	\$20,650	52,953	85%	62,113
51% to 80%	\$33,040	64,695	48%	135,225
81% to 100%	\$41,300	34,130	29%	119,408
greater than 100%	\$41,300 +	53,944	7%	795,822
Total Owner Households		241,171	21%	1,151,298

Note: Owner households who pay no mortgage were not included in calculation.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Exhibit ES-10.**Cost Burden by Income of Householder Who Pay Cash Rent, Renters, 2002**

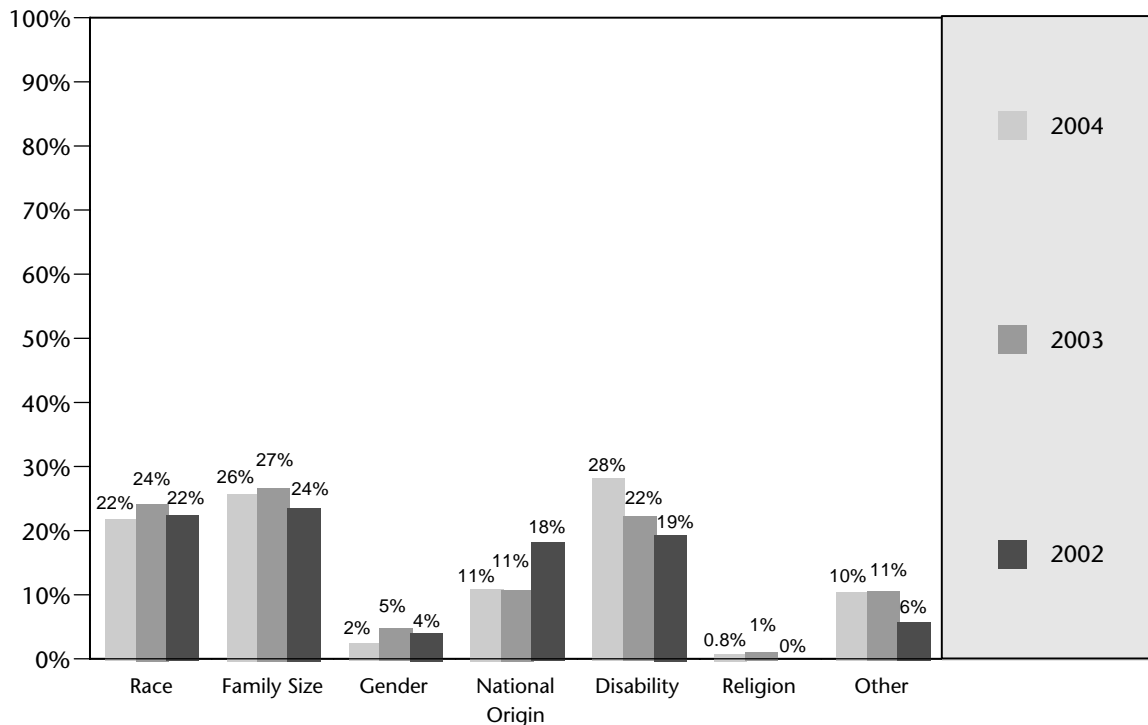
% of Median Household Income	Income Cut-Off	Cost Burdened Renter Households	% of Households Cost Burdened	Renters Paying Cash Rent
less than or equal to 30%	\$12,390	77,140	51%	152,442
31% to 50%	\$20,650	75,354	71%	106,856
51% to 80%	\$33,040	36,595	27%	135,632
81% to 100%	\$41,300	5,968	9%	63,029
greater than 100%	\$41,300 +	24,652	16%	154,821
Total Renter Households		219,709	36%	612,780

Note: Renter households paying "no cash rent" were not included in calculation. The possible difference between the ACS Summary Table number of cost burdened renters households (238,114) versus the PUMS cost burdened renters (219,709) may be due to different sampling methodology used for the Summary Tables.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

If the State experiences the same level of population growth from 2002 to 2005 as it has so far this decade, and the distribution of housing prices remains the same as it was in 2000, (which is unlikely given recent trends – therefore this would be a best case scenario) an estimated 367,000 low-income households (households earning less than or equal to 50 percent of AMI) will be cost burdened and in need of some type of housing assistance in 2005.

Housing discrimination. Data on the prevalence of discrimination are difficult to come by, largely because discrimination is underreported. Information about the types of discrimination experienced by citizens is easier to obtain. As shown in the following exhibit, race, family size and disability continue to be the most common reasons that Indiana citizens are discriminated against when trying to find housing, according to the surveys that have been conducted for the State's Consolidated Plans.

Exhibit ES-11.**Comparison of Types of Housing Discrimination, 2001, 2002, 2003 and 2004**

Note: Zero percent indicates that the category was not given as an option.

Source: Community Survey, Indiana Consolidated Plan, 2001 through 2004.

Identified Housing and Community Development Needs

The top housing and community development needs in the State were identified by examining the trends summarized above and collecting information from surveys of citizens and housing and community development professionals. The top needs for FY2004 are summarized below.

Community development needs. In general, respondents to the 2004 Consolidated Plan survey and participants in the forums indicated that downtown business environment revitalization, facilities and shelters for special needs populations, job training/creation, infrastructure in support of affordable housing, public infrastructure improvements, day care, community centers and emergency services are highly to moderately needed (not necessarily in any particular order). The top community needs identified by both survey respondents and forum participants are shown in Exhibit ES-12 on the following page.

Exhibit ES-12.
Top Community Development Needs, Identified by Citizens

Survey Respondents	Forum Participants
Downtown business environment revitalization	Job Training/Creation
Facilities and shelters for special needs populations	Sewer
Water and sewer system improvements	Infrastructure in Support of Affordable Housing
Child and adult care facilities	Water
Community centers	Downtown Revitalization
Emergency Services	Storm Water
	Community Planning Studies
	Daycare Center

Source: Public Forums and Community Survey, Indiana Consolidated Plan, 2004.

The survey respondents also reported the top barriers to community and economic development in their communities. The largest barriers are shown in Exhibit ES-13 below.

Exhibit ES-13.
Barriers to Community and Economic Development

Source:
Community Survey, Indiana Consolidated Plan, 2004.

Top Barriers
Jobs that pay livable wages
Job growth
Lack of available funds to make improvements
Lack of affordable housing
Educated work force
Lack of mixed income housing developments
Lack of accessible housing for individuals or families
Poor quality of public infrastructure
Lack of quality commercial and retail space

Housing needs. As mentioned above, the 2002 Census reported that about 478,000 households in the State were cost burdened and likely in need of some type of housing assistance. Respondents to the community survey and forum participants were asked to identify what *types* of housing are most needed to meet affordable housing needs. As shown in Exhibit ES-14 on the following page, the types of housing most needed included single family housing, emergency shelters, rental housing, and subsidized housing (not necessarily in that order).

**Exhibit ES-14.
Most Needed
Housing Types**

Source:
Community Survey, Indiana Consolidated
Plan, 2004.

Survey Respondents	Forum Participants
Single family housing	Emergency shelters
Emergency shelters	Owner occupied housing
Multifamily apartments	Down payment counseling/assistance
Subsidized housing	Rental housing rehabilitation
Transitional housing	Housing needs assessments
	Home repair/home modification
	Transitional housing rehabilitation
	Youth shelters
	Development Feasibility Study
	Migrant/Seasonal Farm Worker Housing

Special needs populations. For the purpose of the Consolidated Plan, special needs populations include: the elderly, persons experiencing homelessness, persons with developmental disabilities, persons living with HIV/AIDS, persons with physical disabilities, persons with mental illness or substance abuse problems, and migrant agricultural workers. In the 2004 Consolidated Plan, the special needs category was expanded to include youth, particularly those who have left the State's foster care system.

The 2004 survey asked respondents to agree or disagree about the extent to which the needs of special populations were being met in their communities. As Exhibit ES-15 shows, respondents believe the needs of persons who are homeless and persons who are mentally ill are least likely to be met in their communities.

**Exhibit ES-15.
Percent of Respondents
Disagreeing that the Needs
of Special Populations Are
Being Adequately Met**

Source:
Community Survey, Indiana
Consolidated Plan, 2002-2004.

Special Needs Category	Percent Disagreeing		
	2004	2003	2002
Homeless	55%	57%	57%
Mentally Ill	55%	54%	51%
Physical Disability	47%	44%	50%
Development Disability	45%	43%	55%
Elderly	40%	39%	43%
HIV/AIDS	37%	38%	38%
Seasonal Farm Workers	30%	31%	37%

To best meet the above needs, forum participants and survey respondents identified funding for the operations of the organizations that serve such populations, accessibility, congregate housing, housing stock, and housing subsidy as the highest priority.

Strategic Plan and Action Items

During FY2004, the State expects to receive more than \$58 million in the HUD block grants, as shown in Exhibit ES-16, to address housing and community development needs.

Exhibit ES-16.

2004 Consolidated Plan Funding, by Program and State Agency

Agency	Allocation
American Dream Downpayment Initiative (ADDI)	\$948,000
Indiana Department of Commerce (CDBG)	\$36,848,000
Indiana Housing Finance Authority (HOME)	\$17,718,000
Indiana Housing Finance Authority (HOPWA)	\$836,000
Indiana Family and Social Services Administration (ESG)	\$1,847,000
Total	\$58,197,000

Source: State of Indiana and HUD, 2004.

In addition to the above formula allocations for 2004, the State will also receive a one-time allocation of \$1,134,586 in previously unexpended HOPWA funds.

Based on the research conducted for the FY2004 Consolidated Plan Update, the State has developed the following goals and benchmarks for addressing current and future housing and community development needs:

- Goal #1.** Expand and preserve affordable rental housing opportunities.
- Goal #2.** Enhance affordable homeownership opportunities.
- Goal #3.** Promote livable communities and community redevelopment.
- Goal #4.** Enhance employment development activities, particularly those that provide workforce development for low- to moderate-income citizens.
- Goal #5.** Strengthen and expand the State's continuum of care for persons who are homeless.
- Goal #6.** Strengthen the safety net of housing and services for special needs groups.
- Goal #7.** Enhance the local capacity for housing and community development.

Exhibit ES-17 below and continued on the following page summarizes the proposed allocation of the program dollars for FY2004.

Exhibit ES-17.
Allocation Plan
Target Allocations and Benchmarks, Program Year 2004

Program/Funding Source	2004 Proposed Allocations	
	Dollars	Percent of Total Funding
Community Focus Fund (CDBG)		
Affordable Housing Infrastructure	\$289,500	1%
Community Centers / Family Service Centers	\$965,000	3%
Fire Stations / Equipment	\$1,930,000	5%
Historic Preservation	\$0	0%
Library / Lifelong and Early Learning Centers	\$1,254,500	3%
Neighborhood Revitalization	\$675,500	2%
Senior Centers	\$3,088,000	8%
Special Needs Facilities	\$965,000	3%
Water and Sewer Infrastructure	<u>\$14,475,002</u>	<u>39%</u>
Total	\$23,642,503	64%
Community Economic Development Fund (CDBG)	\$4,000,000	11%
Administration (CDBG)	\$836,958	2%
Housing Program (CDBG) ⁽¹⁾	\$5,000,000	14%
Quick Response Fund (CDBG)	\$0	0%
Technical Assistance (CDBG)	\$368,479	1%
Brownfield Initiative (CDBG)	\$1,400,000	4%
Planning Fund (CDBG)	<u>\$1,600,000</u>	<u>4%</u>
Total (CDBG) Allocation	\$36,847,940	100%
Emergency Shelter Grants (ESG)	\$1,847,372	100%

Note: ⁽¹⁾ Housing Program funds are detailed in the Housing from Shelters to Homeownership column in the following exhibit.

Exhibit ES-17. (continued)
Allocation Plan
Target Allocations and Benchmarks, Program Year 2004

Program/Funding Source		2004 Proposed Allocations	
		Dollars	Percent of Total Funding
Housing from Shelters to Homeownership (HOME/CDBG)			
Emergency Shelters		\$500,000	2%
Youth Shelters		\$300,000	1%
Transitional Housing		\$900,000	4%
Migrant Farmworker Housing		\$300,000	1%
Permanent Supportive Housing		\$800,000	4%
Rental Units		\$4,000,000	18%
Homebuyer Units		\$1,700,000	8%
Owner Occupied Units		\$2,200,000	10%
Voluntary Acquisition/Demolition		\$200,000	1%
Total		\$10,900,000	50%
CHDO Works (HOME)			
First Home Downpayment Assistance Programs		\$670,765	3%
INTR City Program		\$1,500,000	7%
Homeownership Counseling		\$500,000	2%
HOME Owner Occupied Rehabilitation Program		\$1,000,000	5%
HOME/RHTC		\$2,221,488	10%
Administration		\$2,400,000	11%
		\$1,676,917	8%
Foundations (HOME/CDBG)			
CHDO Predevelopment Loans		\$300,000	1%
CHDO Seed Money Loans		\$100,000	0%
Housing Needs Assessments		\$400,000	2%
Site-Specific Feasibility Studies		\$100,000	0%
		\$900,000	4%
Total		\$21,769,170	100%
American Dream Downpayment Assistance (ADDI)			
First Home Downpayment Assistance Programs	\$	948,380	100%
Housing for People with AIDS (HOPWA)			
Rental Assistance	\$405,000	48%	Estimated Households/Units 170 households/units
Short-term Rent, Mortgage and Utility Assistance	\$179,000	21%	465 households/units
Supportive Services	\$130,000	16%	295 households
Housing Information	\$30,700	4%	63 households
Project Sponsor Administration	\$58,520	7%	N/A
Resource Identification	\$700	0%	N/A
Operating Costs	\$7,000	1%	5 units
Technical Assistance	\$0	0%	N/A
Administration	\$25,080	3%	N/A
Total	\$836,000	100%	992 households/639 units
HOPWA Supplemental Allocation			
Acquisition, Rehabilitation, Conversion, New Construction	\$86,293	8%	Estimated Households/Units 2 units
Rental Assistance	\$127,257	11%	53 households/units
Short-term Rent, Mortgage and Utility Assistance	\$127,257	11%	330 households/units
Supportive Services	\$289,945	26%	658 households
Housing Information	\$229,540	20%	471 households
Project Sponsor Administration	\$82,030	7%	N/A
Resource Identification	\$217,458	19%	N/A
Operating Costs	\$12,081	1%	8 units
Technical Assistance	\$0	0%	N/A
Administration	\$36,243	3%	N/A
Total	\$1,121,811	100%	1512 households/393 HOPWA-assisted units

Note: Refer to Appendix G for the proposed FY2004 HOPWA Allocation.

Source: Agency Allocation Plans, 2004.

Please see the full Consolidated Plan for specific information on the implementation of these goals and the related action items.

SECTION I.
Introduction

SECTION I.

Introduction

Purpose of the Consolidated Plan

Beginning in FY 1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Plan consolidates into a single document the previously separate planning and application requirements for Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), the HOME Investment Partnerships Program and Housing Opportunities for People with AIDS (HOPWA) funding, and the Comprehensive Housing and Affordability Strategy (CHAS). Consolidated Plans are required to be prepared every five years; updates to the five year Plan are required annually.

The Purpose of the Consolidated Plan is:

1. To identify a state's housing and community development needs, priorities, goals, and strategies; and
2. To stipulate how funds will be allocated to state housing and community development nonprofit organizations and local governments.

This report contains the FY2004 Consolidated Plan Update. It is the fourth and final annual update to the State of Indiana FY2000 five-year Consolidated Plan. This report contains new information about demographic, economic and housing market trends in the State; an updated analysis of Statewide affordable housing needs; findings from the FY2004 citizen participation process; and a current analysis of the needs of special populations. In addition, the State has updated its FY2000 Strategies & Action Plan for FY2004 to reflect the changing housing and community development needs in the State.

Summary Findings

The research conducted for the FY2004 Consolidated Plan Update revealed a number of *new* housing and community development trends in the State. These include the following:

- New data on housing cost and incomes in the State showed that almost 480,000 households in Indiana paid more than 30 percent of their incomes for rent or mortgage in 2002 and, as such, were cost burdened. This was a 10 percent increase from 2000.

- New Census data further examined housing cost and incomes in the State. Seventy-two percent of owner households in the 81 to 100 percent of area median income (AMI) category were “underpaying” for housing and 41 percent of households in the 51 to 80 percent of AMI income category were “underpaying” for housing. Renter households in the 81 to 100 percent of AMI bracket had 86 percent of total households “underpaying” for housing; 42 percent of renters in the 51 to 80 percent of AMI bracket were “underpaying.”
- Homes built before 1940 may have had interior or exterior paint with lead levels as high as 50 percent. Twenty percent of renters live in housing that was built pre-1940 and 20 percent of owners live in pre-1940 housing stock. Approximately, 8 percent of all renters earn less than 51 percent of the AMI and live in housing stock built pre-1940 while 4.6 percent of all owners live in the same conditions.
- The public forums revealed job training and job creation as the highest ranked community development need. Sewer and infrastructure in support of affordable housing were second and third. Emergency shelters and owner-occupied rehabilitation were the highest ranked housing need.
- Housing and Community Development Survey respondents said single family homes was the most needed type of housing at 38 percent. The need for emergency shelters was second with 28 percent. This was a 7 percentage point increase from the 2003 survey.
- Each year there are approximately 800 youth who are “aging out” of foster care in Indiana. Research reveals that 3 out of 10 of the nation’s homeless are former foster children, and homeless parents who have a history of foster care are almost twice as likely to have their own children place in foster care as homeless people who were never in foster care. The need for safe, affordable housing is a central issue identified by young adults who have aged out of foster care. These young adults need transitional housing with supportive services, rental vouchers with supportive services, and affordable housing.

Compliance with Consolidated Plan Regulations

The State of Indiana’s 2004 Consolidated Plan Update was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development’s (HUD) Consolidated Plan regulations. Appendix H, the “HUD Regulations Cross-Walk” contains a checklist detailing how the 2003 Update meets these requirements.

Organization of the Report

The remainder of the 2004 Update is organized into six sections and eight appendices.

- Section II discusses the demographic and economic trends in Indiana to set the context for the housing and community development needs and strategies discussed in later sections.
- Section III reports the findings from the regional forums and a key person survey, which are used to determine the State's housing and community development needs.
- Section IV reports updated information about the State's housing market and needs, including housing vacancies, unit characteristics, affordability, cost burden and the needs of public housing authorities in nonentitlement areas;
- Section V discusses the housing and community development needs of the State's special needs populations. The section gives updated estimates of these populations, reports new programs and initiatives to serve them, and identifies remaining gaps.
- Section VI contains the State's five year program strategies and FY2004 Action Plan.

The Appendices include:

- A. List of Key People
- B. Consolidated Plan Certifications
- C. Key Person Survey Instrument
- D. Citizen Participation Plan and Outreach Efforts
- E. Public Comment and Response
- F. Fair Housing
- G. 2004 Allocation Plans
- H. HUD Regulations Cross-Walk

Lead and Participating Agencies

Indiana's 2004 Update was a collaborative effort. The Indiana Department of Commerce and the Indiana Housing Finance Authority (IHFA) were responsible for overseeing the coordination and development of the Update. The Indiana Family and Social Services Administration (FSSA) also assisted in its development.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), Rural Opportunities, Incorporated (ROI), the Indiana Institute on Disability and Community, and the U.S. Department of Housing and Urban Development. A list of Committee members and their respective organizations can be found in Appendix A.

Citizen Participation Process

The Consolidated Plan was developed with a strong emphasis on community input. Brochures explaining the purpose of the Consolidated Plan and how citizens could contribute, including an agenda and dates of the public forums, were mailed to citizens and local governmental and nonprofit organizations throughout the State at the beginning of the public process.

Citizens participated in the development of the Consolidated Plan through:

- Six regional forums held in cities throughout the State;
- A Statewide community survey of 386 community representatives;
- A 30 day public comment period; and
- Two public hearings about the Plan and fund allocations.

Consultation with Governmental and Nonprofit Organizations

The Consolidated Plan Committee made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. In addition to the regional forums described above, representatives of governmental or nonprofit organizations participated by sharing studies and information concerning the needs of communities. Among the organizations with which the Committee exchanged information were State and local policymakers, service providers to the State's special needs populations, administrators of public housing authorities, and city planners and housing development specialists. The materials that these organizations shared with us are sourced throughout the report.

Acknowledgments

Each member of the Consolidated Plan Coordinating Committee made valuable contributions to this process and merits special recognition.

The State of Indiana retained BBC Research & Consulting, Inc. (BBC), an economic research and management consulting firm, The Keys Group, an Indiana-based planning and research partnership, and the Winston Terrell Group, an Indiana based public relations firm, to assist in the preparation of the 2004 Consolidated Plan Update.

SECTION II.

The Socioeconomy of Indiana

SECTION II.

Socioeconomic Analysis

Demographic and Economic Profile

This section discusses the demographic and economic characteristics of the State of Indiana, including changes in population, household characteristics, income, and employment to set the context for the housing and community development analyses in latter sections of the State of Indiana 2004 Consolidated Plan Update. This section incorporates the most recently released data from the U.S. Census Bureau and State data sources.

Population Characteristics

Overall growth. The U.S. Census Bureau estimates the State's 2003 population at 6,195,643, up from 6,080,485 in 2000 and 6,156,913 in 2002. Between 2000 and 2003, the State's population increased by 1.7 percent, which was similar to the growth rates of surrounding states. Missouri grew at the highest rate of 1.8 and Ohio grew at the lowest rate of 0.6 percent.

Components of growth. According to the Census Bureau, the primary driver of population growth between 2002 and 2003 was natural increase – i.e., births minus deaths – which added 27,045 people to the State during the year. Immigration from foreign countries added 11,147 people to the State, and 1,019 residents moved to Indiana from other states.

The Census Bureau also reports the cumulative estimates of population change between 2000 and 2003. Again the primary population growth was natural increase, through which the State added 96,157 people. Immigration from foreign countries added 21,305 people to the State, and 14,924 residents moved to other states. The following exhibit shows the components of the population change for 2001, 2002 and 2003.

**Exhibit II-1.
Components of
Population Change in
Indiana**

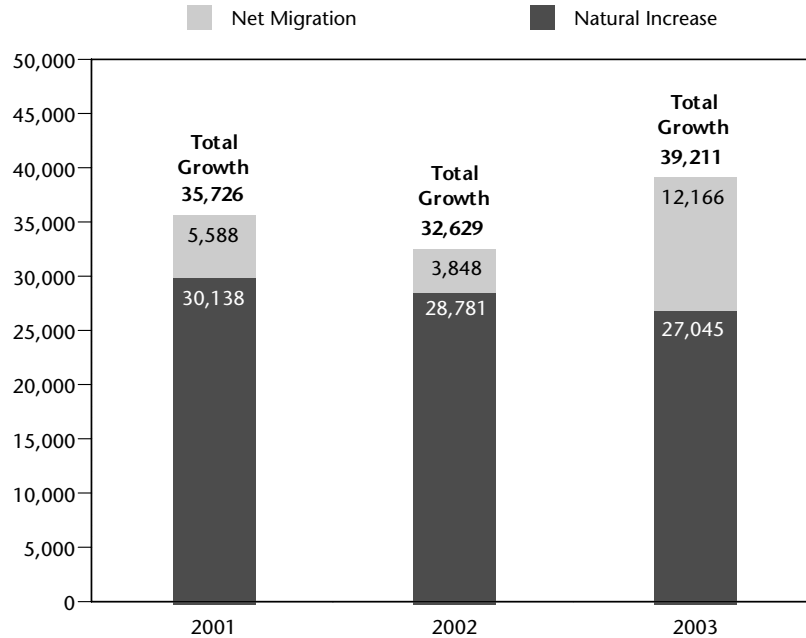
Note:

Population changes for each year are from July 1 to July 1 of the next year. The 2000 population change is not included because it is from April 1 to July 1 of 2000.

Natural increase is births minus deaths.

Source:

U.S. Census Population Estimates.



Growth of nonentitlement areas. As noted in the 2003 update, the nonentitlement areas¹ of the State made up nearly 60 percent of the population in 2000. In July 2003, the Census released the 2002 population estimates: with the addition of Columbus, Michigan City, LaPorte and Hamilton County to the entitlement cities the nonentitlement areas of the State made up 58 percent of the population in 2002, or approximately 3,600,000 persons.

Exhibit II-2, on the following page, shows the population changes of the State's entitlement and nonentitlement areas between 2000 and 2002.

¹ The term "entitlement areas" refers to cities and counties that, because of their size, are able to receive CDBG funding directly. These areas must complete a Consolidated Plan separately from the State's to receive funding. The requirements for receiving HOME, ESG, and HOPWA funds are all slightly different, but are generally based on size and need. For purposes of this report, "nonentitlement" refers to cities and towns that do not file Consolidated Plans individually and are not able to receive funding from the HUD programs directly. The entitlement areas in Indiana include the cities of Anderson, Bloomington, East Chicago, Elkhart, Fort Wayne, Gary, Goshen, Hammond, Indianapolis, Kokomo, Muncie, New Albany, Terre Haute; Lake County; and the consortiums of Tippecanoe (including the cities of Lafayette and West Lafayette) and St. Joseph's County (including the cities of South Bend and Mishawaka). In 2003, Columbus and Michigan City and in 2004 Hamilton County and LaPorte were added to entitlement areas and will no longer be eligible for CDBG funds through the State.

Exhibit II-2.
2000 to 2002 Population Growth

	2000		2002		Percent Change 2000 to 2002
	Number	Percent	Number	Percent	
Indiana	6,080,485	100%	6,159,068	100%	1.29%
Non-Entitlement	3,549,859	58%	3,596,928	58%	1.33%
CDBG Entitlement	2,530,626	42%	2,562,140	42%	1.25%
CDBG Entitlement Areas:					
Hamilton County	182,740		205,610		12.52%
Lake County	484,564		487,016		0.51%
East Chicago	32,414		31,731		-2.11%
Gary	102,746		100,945		-1.75%
Hammond	83,048		81,413		-1.97%
Balance of Lake County	266,356		272,927		2.47%
Cities					
Anderson	59,734		58,853		-1.47%
Bloomington	69,291		69,987		1.00%
Columbus	39,059		38,770		-0.74%
Elkhart	51,874		51,782		-0.18%
Evansville	121,582		119,081		-2.06%
Ft. Wayne	205,727		210,070		2.11%
Goshen	29,383		29,683		1.02%
Indianapolis (balance)	781,870		783,612		0.22%
Kokomo	46,113		45,956		-0.34%
LaPorte	21,621		21,293		-1.52%
Lafayette	56,397		60,594		7.44%
Michigan City	32,900		32,564		-1.02%
Mishawaka	46,557		48,264		3.67%
Muncie	67,430		67,195		-0.35%
New Albany	37,603		37,529		-0.20%
South Bend	107,789		106,558		-1.14%
Terre Haute	59,614		58,642		-1.63%
West Lafayette	28,778		29,081		1.05%

Note: Columbus, Michigan City, LaPorte and Hamilton County are included in the 2000 and 2002 entitlement area. The cities of Beech Grove, Lawrence, Speedway, Southport and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis entitlement community. Applicants that serve these areas would be eligible for CHDO Works funding. HOME entitlement areas include: Bloomington, East Chicago, Evansville, Fort Wayne, Gary, Hammond, Indianapolis, Lake County, St. Joseph County Consortium, Terre Haute, Tippecanoe County Consortium

Source: 2000 U.S. Census and Population Division, U.S. Census Bureau.

Growth by county. Exhibit II-3 identifies county growth patterns between 2000 and 2002. Counties growing at above-average rates since 2000 are, for the most part, clustered around the State's largest metropolitan areas, while counties with declining population are mostly east of the Indianapolis MSA.

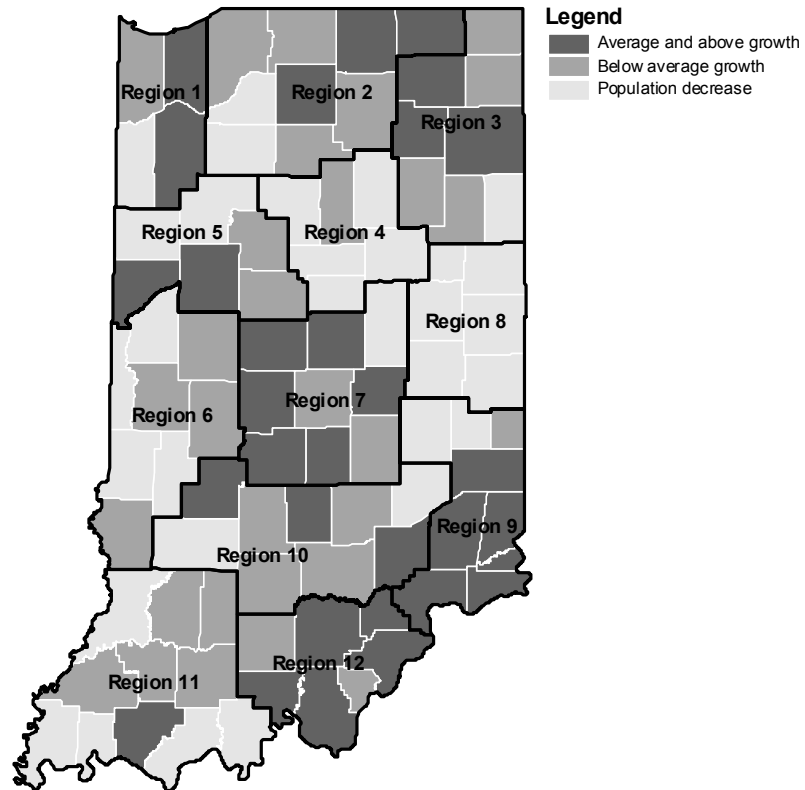
**Exhibit II-3.
Population Change of
Indiana Counties, 2000
to 2002**

Note:

Indiana's population change was 1.29 percent from 2000 to 2002.

Source:

2000 U.S. Census, U.S. Census Population Estimates, 2002, and BBC Research & Consulting.



Population of Commerce Regions. In 2002, Commerce Region 7 (which contains Indianapolis) had the largest population of approximately 1,655,000 compared to all 12 commerce regions in the State. Commerce Regions 1 and 2 (located near the Chicago metropolitan area) were next largest. Commerce Region 9 had the smallest population in 2002, with fewer than 200,000 persons.

**Exhibit II-4.
Population of Indiana
Commerce Regions, 2002**

Source:

U.S. Census Bureau and Indiana Business Research Center.

	2002	Percent of State
Indiana	6,159,068	100.0%
Region 1	682,594	11.1%
Region 2	777,199	12.6%
Region 3	589,553	9.6%
Region 4	285,167	4.6%
Region 5	249,138	4.0%
Region 6	279,118	4.5%
Region 7	1,655,097	26.9%
Region 8	299,353	4.9%
Region 9	195,377	3.2%
Region 10	404,133	6.6%
Region 11	455,803	7.4%
Region 12	286,536	4.7%

Exhibits II-5 and II-6 below shows the percent change in population by Commerce Regions between 2000 and 2002. Four commerce regions were above the State growth. Commerce Region 7, which includes the Indianapolis MSA, population grew by three percent between 2000 and 2002. Five of the 12 regions grew at below average rates and three lost population.

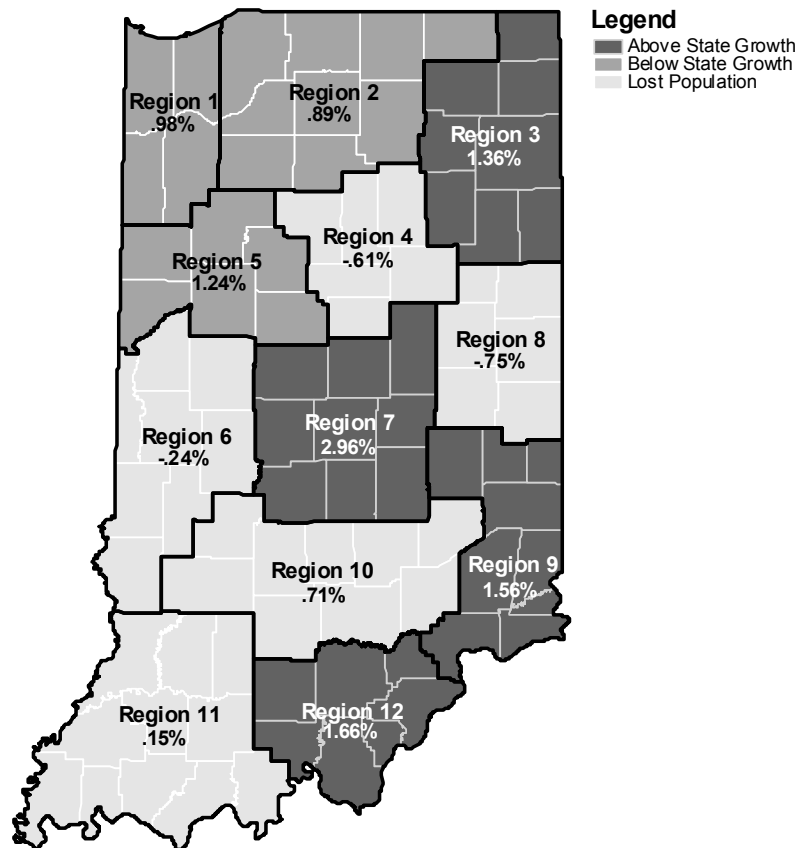
**Exhibit II-5.
Population Change for
Indiana Commerce
Regions, 2000 and 2002**

Note:

Indiana's population change was 1.29 percent from 2000 to 2002.

Source:

U.S. Census Bureau and Indiana Business Research Center.



**Exhibit II-6.
Population Change for
Indiana Commerce
Regions, 2000 and 2002**

Source:
U.S. Census Bureau and Indiana Business
Research Center.

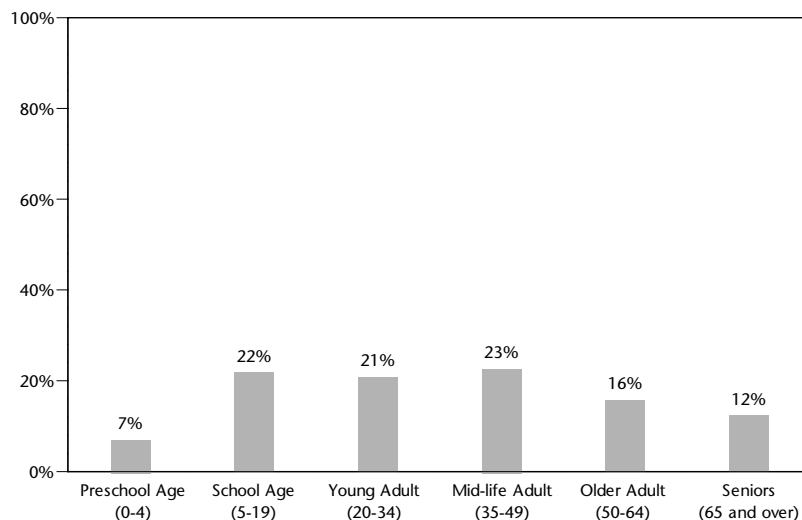
	2000	2002	Percent change	Compared to State % Change
Indiana	6,080,485	6,159,068	1.29%	
Region 1	675,971	682,594	0.98%	BELOW
Region 2	770,372	777,199	0.89%	BELOW
Region 3	581,630	589,553	1.36%	ABOVE
Region 4	286,916	285,167	-0.61%	LOST
Region 5	246,093	249,138	1.24%	BELOW
Region 6	279,786	279,118	-0.24%	LOST
Region 7	1,607,486	1,655,097	2.96%	ABOVE
Region 8	301,629	299,353	-0.75%	LOST
Region 9	192,374	195,377	1.56%	ABOVE
Region 10	401,264	404,133	0.71%	BELOW
Region 11	455,112	455,803	0.15%	BELOW
Region 12	281,852	286,536	1.66%	ABOVE

Future growth. The Indiana Business Research Center (IBRC) projects a State population of 6,417,198 in 2010. This equates to an average annual growth of one-half of one percent between 2002 and 2010, or about half of the average annual growth rate experienced in the prior decade, and about the same growth rate experienced between 2000 and 2003.

Age. According to the Census' American Community Survey² (ACS) the State's median age was 35.6 in 2002, up from 35.4 in 2000. This is lower than the median age for Ohio, Michigan, Missouri and the same median age as Kentucky. Exhibit II-7 shows the estimated age distribution of the State's population in 2002 according to the Census.

**Exhibit II-7.
Indiana Population by
Age Group, 2002**

Source:
Population Division, U.S. Census Bureau.



² The American Community Survey universe is limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters.

As of July 1, 2002, almost 60 percent of the State's population was between the ages 20 and 64 years. Compared to 2000, the 2002 age groups are distributed similarly.

Overall, 12 percent of Indiana's population was aged 65 years and over in 2002. Sixty-five of the 92 counties in Indiana had a higher percent of population aged 65 years and over than the State average, as is shown in the following exhibit where it is shaded.

**Exhibit II-8.
Percent of County
Population 65 Years and
Over, 2002**

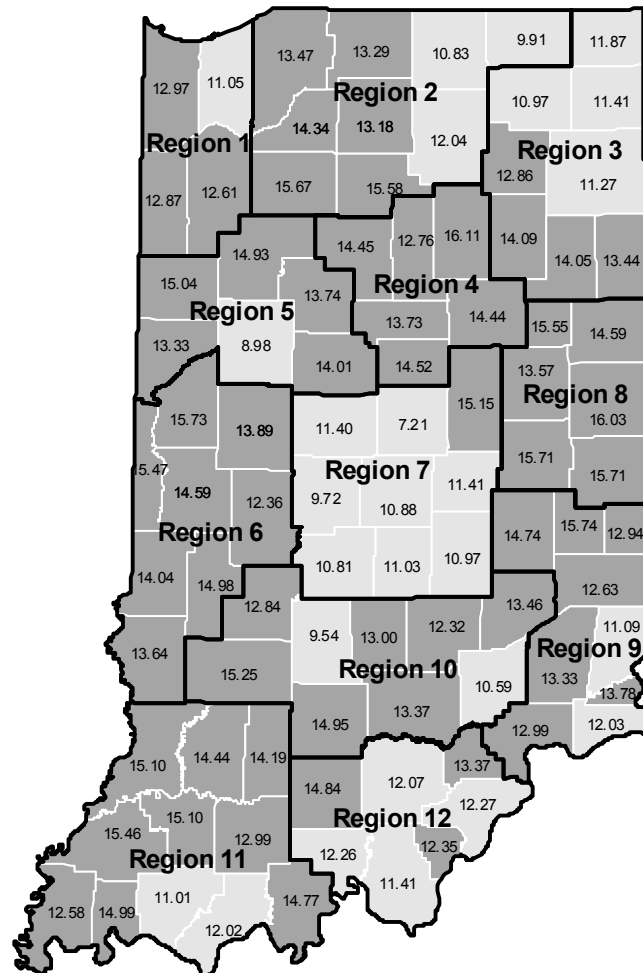
Note:

In 2002, 12.3 percent of the State's population was 65 years and over.

The shaded counties have a higher percentage of their population who is 65 years and over than the State.

Source:

Population Division, U.S. Census Bureau.



Commerce regions. The distribution of each Regions' population among four age groups – preschool, school aged, adult and older – are shown in Exhibit II-9. The 12 Commerce Regions have similar distribution patterns for all age groups. Region 5 and Region 10 have the highest percentage of their population in the 18 to 64 years group (66 and 68 percent) compared to the other regions. Commerce Region 8 has 15 percent of its population ages 65 years and over, which was the highest of the 12 regions.

Exhibit II-9.
Indiana Commerce Region Population by Age Group, 2000

	Total Population	Preschool (0 to 4)	School Age (5 to 17)	Adult (18 to 64)	Older (65 plus)
Indiana	6,080,485	7%	19%	62%	12%
Region 1	675,971	7%	20%	61%	13%
Region 2	770,372	7%	20%	60%	13%
Region 3	581,630	7%	20%	60%	12%
Region 4	286,916	6%	19%	61%	14%
Region 5	246,093	6%	17%	66%	11%
Region 6	279,786	6%	18%	62%	14%
Region 7	1,607,486	7%	19%	62%	11%
Region 8	301,629	6%	17%	62%	15%
Region 9	192,374	7%	20%	60%	13%
Region 10	401,264	6%	17%	65%	12%
Region 11	455,112	6%	18%	61%	14%
Region 12	281,852	7%	19%	62%	12%

Source: US Census Bureau and Indiana Business Research Center.

Race and ethnicity. In 2002, 89 percent of residents in Indiana classified their race as white. The next largest race classification was African-American at 8.5 percent. The remaining races made up less than 3 percent of the State's total population.

The U.S. Census defines ethnicity as persons who do and do not identify themselves as being Hispanic/Latino and treats ethnicity as a separate category from race. Persons of Hispanic/Latino descent represented 3.8 percent of the State's population in 2002. Exhibit II-10 shows the breakdown by race and ethnicity of Indiana's 2002 population.

Exhibit II-10.
**Indiana Population by
Race and Ethnicity, 2002**

Source:
Population Division, U.S. Census Bureau.

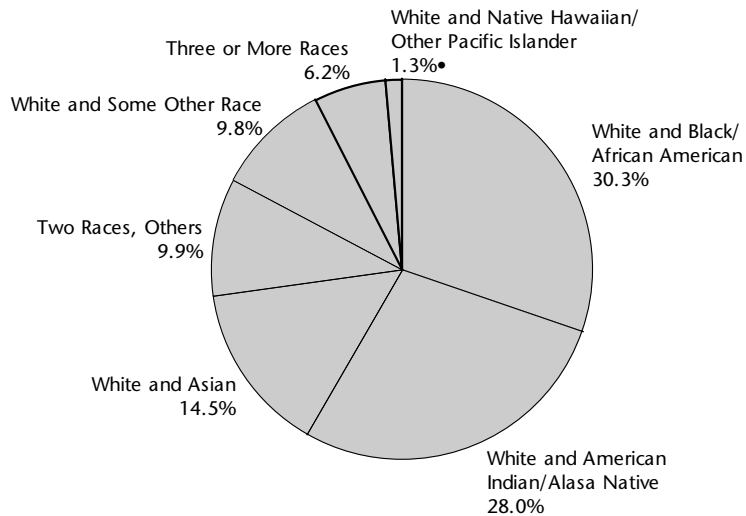
	2002	Percent of Population
Total population	6,159,068	100.0%
American Indian and Alaska Native alone	17,249	0.3%
Asian alone	69,776	1.1%
Black or African-American alone	525,151	8.5%
Native Hawaiian and Other Pacific Islander alone	2,747	0.0%
White alone	5,481,336	89.0%
Two or more races	62,809	1.0%
Hispanic or Latino (of any race)	236,367	3.8%

In the 2000 Census, people were given many options for racial classification, including identifying with more than one race. In all, 75,762 persons, or 1.2 percent of Indiana residents chose this classification. Of this number, 30.3 percent were white and African-American and 28.0 percent were white and American Indian or Alaskan Native. Among those identifying with more than one race, 6.2 percent identified themselves as belonging to three or more races.

Exhibit II-11 illustrates the percentage of Indiana residents identifying with more than one race in 2000.

**Exhibit II-11.
Indiana Residents
Identifying With More
Than One Race in 2000**

Source:
U.S. Bureau of the Census, 2000.



The Population Division of the U.S. Census provided a comparison of racial and ethnic population of Indiana for 2000 and 2002. As shown in the following Exhibit the white population grew at the slowest rate of only one percent from 2000 to 2002. The population of Native Hawaiian and Other Pacific Islander and Asian increased at the highest rates of 15.4 percent and 14.7 percent, respectively. The Hispanic/Latino population increased at a rate of 10.2 percent between 2000 and 2002.

**Exhibit II-12.
Change in Race and Ethnic Composition for Indiana, 2000 and 2002**

	2000	2002	2000 to 2002 Percent Change
Total population	6,080,485	6,159,068	1.3%
White alone	5,428,465	5,481,336	1.0%
Black or African-American alone	516,246	525,151	1.7%
American Indian and Alaska Native alone	16,655	17,249	3.6%
Asian alone	60,818	69,776	14.7%
Native Hawaiian and Other Pacific Islander alone	2,380	2,747	15.4%
Two or more races	55,921	62,809	12.3%
Hispanic or Latino (of any race)	214,536	236,367	10.2%

Source: Population Division, U.S. Census Bureau.

Concentration of race/ethnicity. The State's population of African-Americans and persons of Hispanic/Latino descent are highly concentrated in a handful of counties, most of which contain entitlement areas. Exhibits II-13 and II-14 show the counties which contain the majority of these population groups.

Exhibit II-13 illustrates the percentage of the county's whose African-American population – the second largest racial category in Indiana for 2002 – is higher than the Statewide percentage of 8.5 percent. It should be noted that these data do not include racial classifications of two or more races, which include individuals who classify themselves as African-American along with some other race.

**Exhibit II-13.
Counties with a Higher
Rate of African-
Americans than the
State, 2002**

Source:
Population Division, U.S. Census Bureau.

	African-American Population	Percent of Population
Indiana	525,151	8.5%
Allen County	38,653	11.5%
Lake County	124,178	25.5%
LaPorte County	11,055	10.0%
Marion County	215,944	25.0%
St. Joseph County	30,706	11.5%

As shown above, the State's African-American population is highly concentrated in the State's urban counties. These counties contain 80 percent of the African-Americans in the State.

Exhibit II-14, below, shows the percentage of population by county that is Hispanic/Latino in 2002 for the 13 counties that have a Hispanic/Latino population above the State average of 3.5 percent. These counties are mainly located in the northern portion of the State.

**Exhibit II-14.
Counties with a Higher
Rate of Hispanic/Latino
Persons than the State
Overall, 2002**

Source:
Population Division, U.S. Census Bureau.

	Hispanic/Latino Population (can be of any race)	Percent of Population
Indiana	236,367	3.8%
Allen County	15,654	4.6%
Cass County	3,227	7.9%
Clinton County	3,032	8.9%
Elkhart County	18,990	10.2%
Kosciusko County	3,993	5.3%
Lake County	61,580	12.6%
Marion County	38,922	4.5%
Marshall County	3,099	6.8%
Noble County	3,871	8.2%
Porter County	7,690	5.1%
St. Joseph County	13,558	5.1%
Tippecanoe County	8,660	5.7%
White County	1,464	5.9%

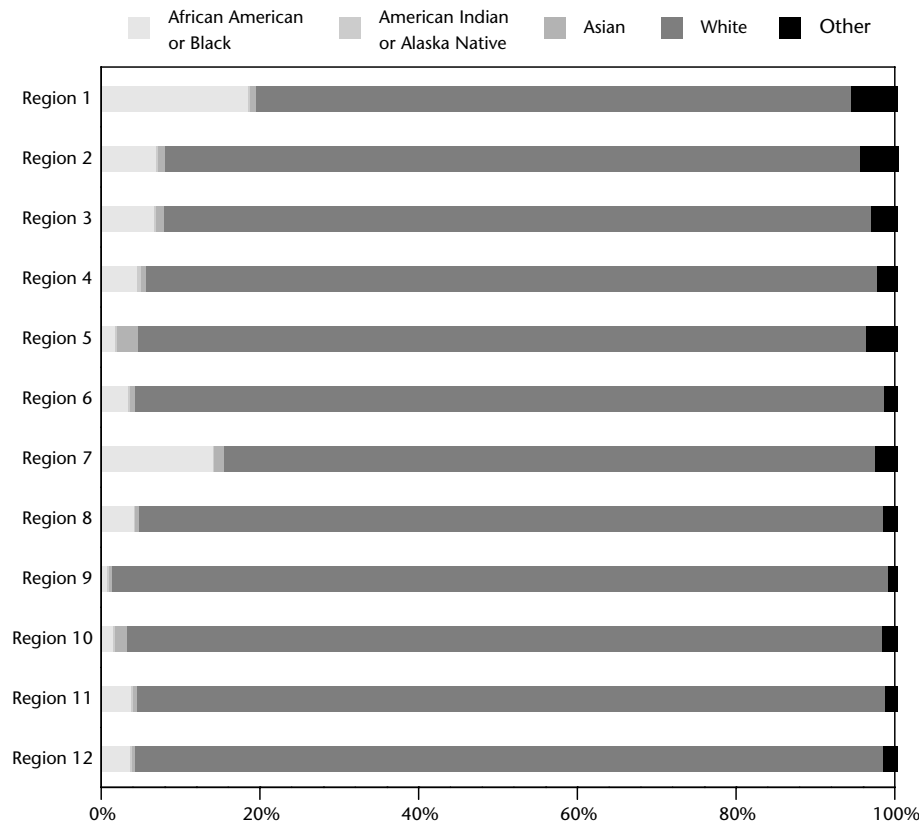
Commerce Regions. The Indiana Business Research Center reported race information for each of the 12 Indiana Commerce Regions for 2000. The following exhibits show Commerce Region 1 (which includes Jasper, Lake, Newton, and Porter counties) as having the highest percentage of its population nonwhite. Approximately, 18 percent of its population is African-American and almost 4 percent were classified in the "Other" category. Another Commerce Region with a relatively high percentage of nonwhites was Region 7, which includes the Indianapolis MSA.

Exhibit II-15.
Percentage of Population by Race for Indiana Commerce Regions, 2000

	African-American or Black	American Indian or Alaska Native	Asian	White	Other	Reporting More Than One Race
Region 1	18.4%	0.3%	0.8%	75.0%	3.9%	1.7%
Region 2	6.8%	0.3%	0.8%	87.6%	2.9%	1.6%
Region 3	6.6%	0.3%	0.9%	89.1%	1.7%	1.3%
Region 4	4.4%	0.5%	0.6%	92.1%	1.1%	1.3%
Region 5	1.6%	0.2%	2.8%	91.6%	2.6%	1.1%
Region 6	3.3%	0.3%	0.6%	94.4%	0.5%	1.0%
Region 7	13.9%	0.2%	1.2%	82.1%	1.3%	1.3%
Region 8	4.0%	0.2%	0.5%	93.7%	0.6%	1.0%
Region 9	0.7%	0.2%	0.3%	97.8%	0.3%	0.7%
Region 10	1.4%	0.2%	1.6%	95.0%	0.7%	1.1%
Region 11	3.7%	0.2%	0.5%	94.3%	0.5%	0.8%
Region 12	3.5%	0.2%	0.4%	94.3%	0.5%	1.0%

Source: US Census Bureau and Indiana Business Research Center.

Exhibit II-16.
Percentage of Population by Race for Indiana Commerce Regions, 2000



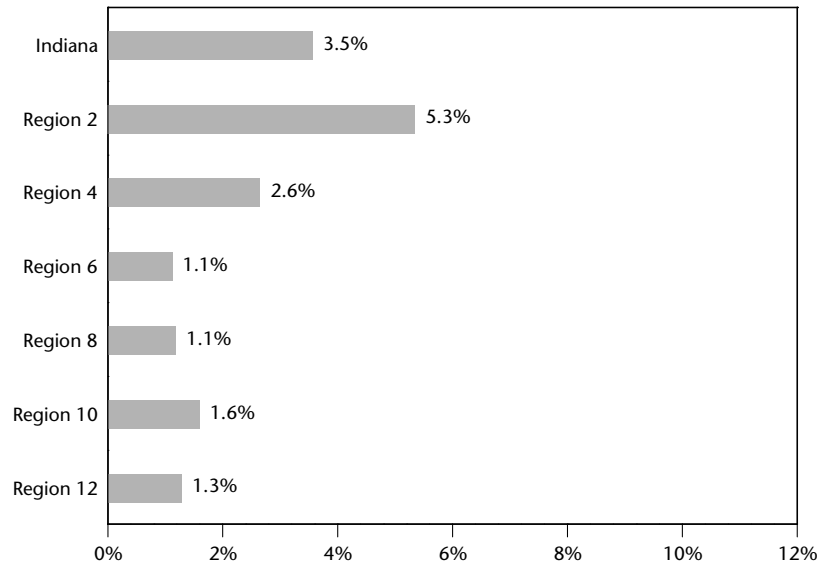
Note: "Other" includes the population classifying themselves as "other" and persons reporting more than one race.

Source: US Census Bureau and Indiana Business Research Center.

Commerce Region 1, Commerce Region 2 and Commerce Region 5 – all located in the Northwest portion of the State – showed the highest rates of residents classifying themselves as Hispanic/Latino. In fact, over half of the Hispanic/Latino residents in the State live in one of these three regions. Exhibit II-17 illustrates the percentage of each region’s population that is Hispanic/Latino.

Exhibit II-17
Percent of Each
Commerce Regions
Population That is
Hispanic/Latino, 2000

Source:
US Census Bureau and Indiana Business
Research Center.



Household composition. According to the ACS, just over half of Indiana’s households in 2002 (52 percent) were married couples. The majority of married couple households (58 percent) did not have children under 18 years. Of households with children 18 years and under, 23 percent were female headed with no husband present. The ACS reported that 22 percent of all households had one or more persons aged 65 years or over. The distribution of the State’s households by type is shown in Exhibit II-18.

Exhibit II-18.
Household Composition
in Indiana, 2002

Note:
“Own Child” as defined by the U.S. Census is a child under 18 years who is a son or daughter by birth, a stepchild, or an adopted child of the householder.
“Other family household” is the balance of family households less married couple families less female householder families.

Source:
American Community Survey 2002, U.S. Census Bureau and BBC Research & Consulting.

	Total Households	
	Number	Percent
Total households	2,345,780	100%
Married-couple families	1,221,748	52%
With own children under 18 years	513,664	22%
No own children under 18 years	708,084	30%
Female householder, no husband present	266,589	11%
With own children under 18 years	173,012	7%
No own children under 18 years	93,577	4%
Other family household	103,651	4%
With own children under 18 years	57,304	2%
No own children under 18 years	46,347	2%
Householder living alone	625,886	27%
Other household types	127,906	5%

The number of married couple households with children declined by 3 percent from 2000 to 2002. Other families³ with own children under 18 years grew 13 percent from 2000 to 2002, which was the highest rate of growth of all household types.

The ACS also reported the population of households who were unmarried partners. In 2002, there was a household population of approximately 131,000 unmarried partners in the State. This was a 6 percent increase from 2000 and made up 2.2 percent of the household population in 2002.

Commerce Regions. The Indiana Business Research Center reported household type by Commerce Region for 2000. In general, household compositions were similar across the regions, with a few small differences. Commerce Regions 5 and 10 (which include smaller MSAs) had the lowest rate of single parent households at 7 percent each. Commerce Region 9 (which includes no MSAs) had the highest percentage of married households with and without children and the lowest percentage of “Other” and living alone households when compared to the other commerce regions. Exhibit II-19 below shows the distribution of household composition for the Commerce Regions in 2000.

Exhibit II-19.
Household Composition in Indiana and Commerce Regions, 2000

	Households in 2000	Married With Children	Married Without Children	Single Parents	Living Alone	Other
Indiana	2,336,306	24%	30%	9%	26%	11%
Region 1	252,308	23%	29%	10%	25%	13%
Region 2	284,966	25%	30%	9%	25%	11%
Region 3	221,486	26%	29%	9%	26%	10%
Region 4	112,234	22%	33%	9%	26%	10%
Region 5	91,993	23%	29%	7%	26%	14%
Region 6	106,220	23%	32%	8%	27%	10%
Region 7	629,655	24%	27%	10%	27%	12%
Region 8	120,118	21%	32%	9%	27%	11%
Region 9	72,241	27%	33%	8%	23%	9%
Region 10	156,495	23%	31%	7%	26%	12%
Region 11	178,513	24%	31%	8%	27%	10%
Region 12	110,077	24%	32%	9%	24%	11%

Note: Detail not included in original table was placed in the "Other" category.

Source: U.S. Census Bureau, Indiana Business Research Center and BBC Research & Consulting.

³ “Other families” is the balance of family households less married couple families less female householder families.

Linguistically isolated households. The ACS reported the number of persons ages 5 years and over who speak English less than “very well” for 2000 and 2002. In Indiana, 3.2 percent of the population 5 years and over spoke English less than “very well” in 2002. This was a 13 percent increase from 2000.

The 2000 Census also measured households that were “linguistically isolated” – that is, where no member 14 years and older speaks English only or speaks English “very well.” In 2000, 29,358 households (1.3 percent of total households) in Indiana were reported to be linguistically isolated. Of these households, 15,468 speak Spanish; 13,820 speak an Asian or Pacific Islander language; 7,960 speak an other Indo-European language; and the remainder speak other languages. Exhibit II-20 shows the percentage of households that were reported to be linguistically isolated in 2000 by county, with the shaded areas representing counties with equal to or greater than state average.

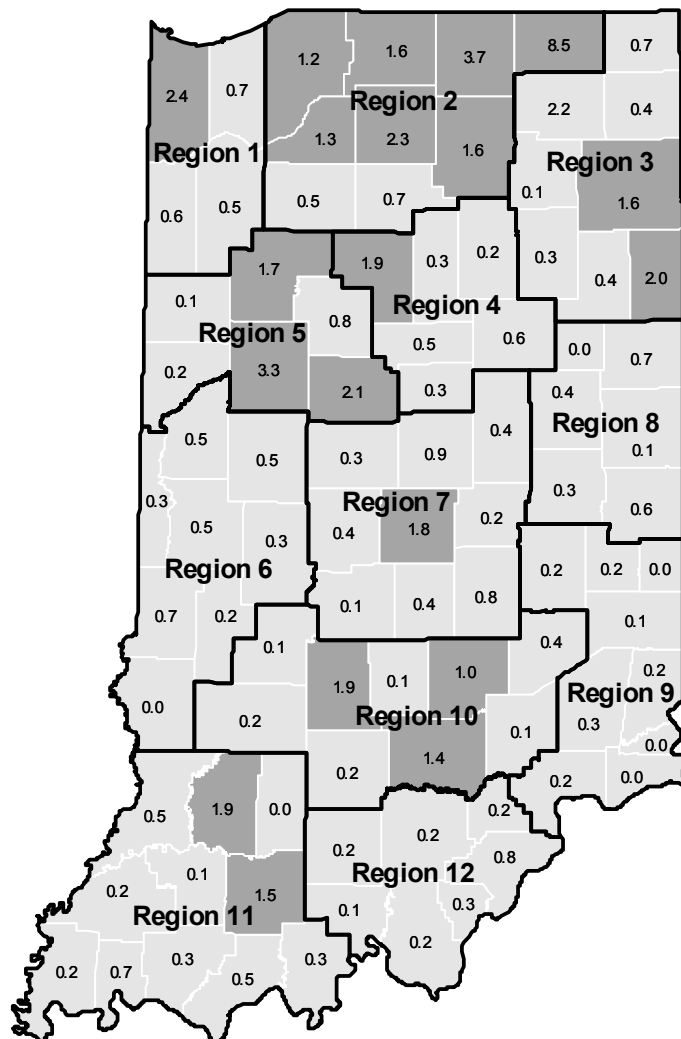
Exhibit II-20.
Percent of Households
Linguistically Isolated,
by County, 2000

Note:

In 2000, Indiana reported 1.3 percent of total households to be linguistically isolated. The shaded counties have a higher percent of their population who is linguistically isolated than the State.

Source:

U.S. Bureau of the Census, 2000



Income

Median Income. According to the U.S. Census, the median household income for the State in 2000 was \$41,567. This represents an 11 percent increase from the 1990 Census median household income after adjusting for inflation.

The ACS reported a median household income of \$41,906 in 2002 and a median household income of \$42,243 in 2000 (in 2002 inflation adjusted dollars). This is a 1.2 percent decrease from 2000 to 2002 in 2002 inflation adjusted dollars.

According to the Indiana Business Research Center, Indiana's annual per capita personal income for 2001 was \$27,522. Only two of the Commerce Regions – Region 7 (containing Indianapolis) and Region 11 – were higher than the State's per capita personal income with annual per capita personal incomes of \$31,960 and \$27,860, respectively. Commerce Region 6 had the lowest annual per capita personal income with \$22,818. The following exhibit shows the State and Commerce Regions annual per capita personal income in 2001.

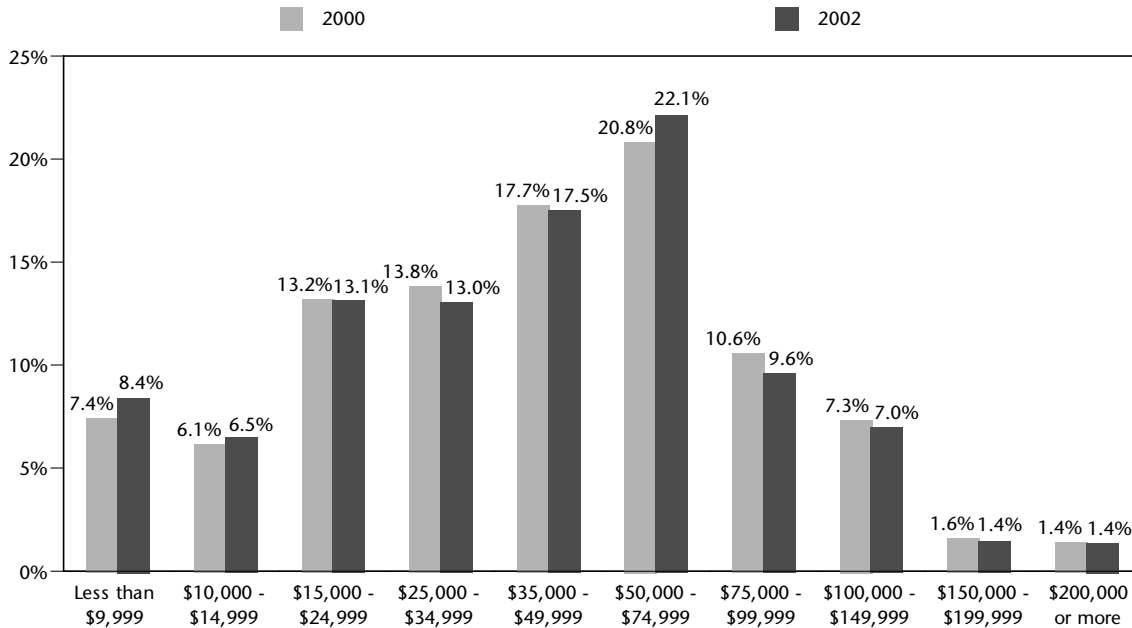
**Exhibit II-21.
Annual Per Capita
Personal Income for
Indiana and Commerce
Regions, 2001**

Source:

U.S. Census Bureau, U.S. Bureau of
Economic Analysis, and IBRC.

	Per Capita Personal Income	Above State Per Capita Personal Income
Indiana	\$27,522	
Region 1	\$25,717	No
Region 2	\$25,717	No
Region 3	\$27,177	No
Region 4	\$24,578	No
Region 5	\$24,840	No
Region 6	\$22,818	No
Region 7	\$31,960	Yes
Region 8	\$24,431	No
Region 9	\$24,568	No
Region 10	\$25,006	No
Region 11	\$27,860	Yes
Region 12	\$25,633	No

Income Distribution. Exhibit II-22 shows the distribution of income in the State in 2000 and 2002 in 2002 inflation adjusted dollars. The percentages of households in the lower-income brackets increased for income ranges up to \$14,999. The largest increase by income bracket occurred in the \$50,000 to \$74,999 range. The number of households with incomes in this income range grew at a rate of 8 percent between 2000 and 2002.

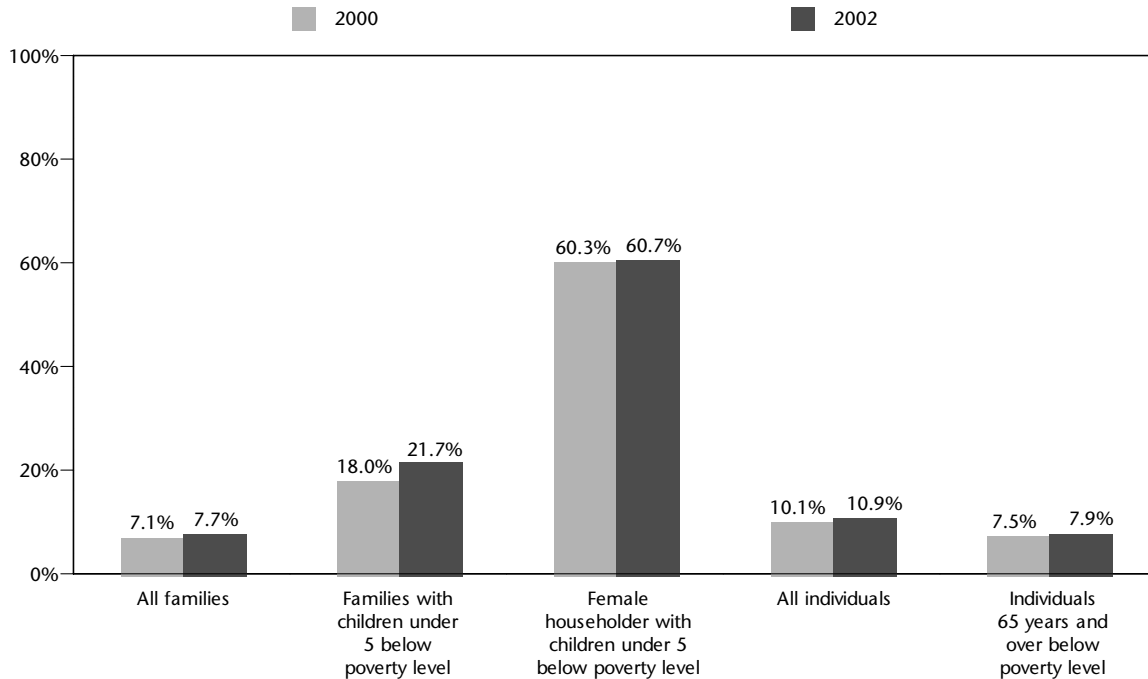
Exhibit II-22.**Percent of Households by Income Bracket, State of Indiana, 2000 and 2002**

Note: Brackets are adjusted for 2002 inflation adjusted dollars.

Source: 2000 and 2002 American Community Survey, U.S. Census Bureau.

Poverty. Poverty rates in Indiana have fluctuated with year-to-year changes in economic conditions according to estimates from the Indiana Business Research Center. The most current of those estimates provided by ACS indicate the percentage of persons living in poverty in the State averaged 10.9 percent during 2002, which was an increase from 10.1 percent in 2000.

The percentage of families below poverty level in 2002 according to ACS was 7.7 percent, an increase from 7.1 percent in 2000. Of these families below the poverty level in 2002, 21.7 percent were families with children under 5 years and, of these families with children under 5 years below poverty level, 60.7 percent were female headed. Almost 8 percent of persons 65 years and over were below poverty level, up from 7.5 percent in 2000. The following exhibit shows the different household categories living in poverty in 2000 and 2002.

Exhibit II-23.**Percent of Families and Individuals Living Below Poverty Level, by Type, 2000 and 2002**

Source: 2000 and 2002 American Community Survey, U.S. Census Bureau.

All of the types of families and individuals showed an increase in the percentage of those living in poverty. Female households with children under 5 years below poverty grew from 12,222 families in 2000 to 16,178 families in 2002. This was the largest percent increase (32.4 percent) of the household categories.

Self sufficiency standard. In 2002, the Indiana Coalition on Housing and Homeless Issues (ICHHI) commissioned a study to examine how much income is needed for different family types to adequately meet basic needs, without public or private assistance. This income level is called the self-sufficiency standard. The standard is determined by taking into account the costs of housing, child care, food, transportation, health care and miscellaneous expenses for several family types, as well as any tax credits a family might receive. The study calculated the standard for metropolitan areas and all communities in the State.

Exhibit II-24 on the following page shows the hourly self-sufficiency standard for all counties in the State for a single adult and a single adult with a preschooler. The counties with the highest self sufficiency standard, or the least affordable counties, included Hamilton, Johnson, Lake, Marion, Monroe and Porter.

Exhibit II-24.
Self Sufficiency Standard, 2002

Source:

The Self-Sufficiency Standard for Indiana, 2002.

County	Adult	Adult with a preschooler
Adams	\$6.68	\$10.47
Allen	\$6.76	\$11.07
Bartholomew	\$6.90	\$10.82
Benton	\$5.94	\$9.47
Blackford	\$5.88	\$8.63
Boone	\$7.18	\$11.94
Brown	\$6.42	\$9.74
Carroll	\$5.93	\$8.61
Cass	\$5.94	\$8.79
Clark	\$6.98	\$10.28
Clay	\$6.11	\$8.43
Clinton	\$7.04	\$11.10
Crawford	\$5.90	\$8.59
Daviess	\$5.90	\$8.54
De Kalb	\$6.72	\$10.29
Dearborn	\$7.24	\$11.77
Decatur	\$6.15	\$9.29
Delaware	\$7.02	\$11.35
Dubois	\$5.90	\$8.70
Elkhart	\$6.91	\$10.82
Fayette	\$6.05	\$8.84
Floyd	\$7.01	\$10.42
Fountain	\$5.92	\$8.80
Franklin	\$5.91	\$8.76
Fulton	\$6.01	\$8.53
Gibson	\$5.89	\$8.18
Grant	\$5.92	\$8.77
Greene	\$5.92	\$8.44
Hamilton	\$7.18	\$12.96
Hancock	\$7.19	\$11.88
Harrison	\$7.04	\$10.21
Hendricks	\$7.20	\$11.40
Henry	\$6.13	\$10.31
Howard	\$6.72	\$10.57
Huntington	\$6.71	\$10.29
Jackson	\$6.32	\$9.63
Jasper	\$6.13	\$9.20
Jay	\$5.89	\$8.22
Jefferson	\$5.84	\$8.46
Jennings	\$5.91	\$8.55
Johnson	\$7.18	\$12.00
Knox	\$6.08	\$8.82

**Exhibit II-24. (cont'd)
Self Sufficiency Standard, 2002,
Continued**

Source:
The Self-Sufficiency Standard for Indiana, 2002.

County	Adult	Adult with a preschooler
Kosciusko	\$6.36	\$9.59
La Porte	\$6.28	\$10.24
Lagrange	\$6.04	\$8.69
Lake	\$8.05	\$12.98
Lawrence	\$5.90	\$8.35
Madison	\$7.26	\$11.14
Marion	\$7.36	\$12.59
Marshall	\$6.09	\$9.52
Martin	\$5.90	\$7.97
Miami	\$5.91	\$8.53
Monroe	\$7.37	\$13.47
Montgomery	\$6.83	\$9.35
Morgan	\$7.23	\$11.11
Newton	\$5.91	\$9.07
Noble	\$6.04	\$8.53
Ohio	\$6.12	\$8.91
Orange	\$5.91	\$8.56
Owen	\$5.93	\$8.77
Parke	\$5.92	\$8.19
Perry	\$5.90	\$8.62
Pike	\$5.86	\$8.65
Porter	\$8.02	\$12.70
Posey	\$6.44	\$10.27
Pulaski	\$5.95	\$8.46
Putnam	\$6.26	\$9.39
Randolph	\$5.89	\$8.47
Ripley	\$5.91	\$8.94
Rush	\$5.91	\$9.07
Scott	\$7.04	\$10.15
Shelby	\$7.20	\$10.62
Spencer	\$5.88	\$8.19
St. Joseph	\$6.85	\$11.62
Starke	\$5.89	\$8.34
Steuben	\$6.52	\$9.33
Sullivan	\$5.84	\$8.40
Switzerland	\$5.90	\$8.16
Tippecanoe	\$7.03	\$11.66
Tipton	\$6.70	\$11.23
Union	\$5.89	\$8.66
Vanderburgh	\$6.59	\$10.64
Vermillion	\$6.05	\$8.73
Vigo	\$6.06	\$9.13
Wabash	\$5.90	\$8.46
Warren	\$5.94	\$8.50
Warrick	\$6.48	\$9.33
Washington	\$5.91	\$8.61
Wayne	\$6.45	\$9.37
Wells	\$6.71	\$9.73
White	\$5.94	\$10.20
Whitley	\$6.70	\$10.22

Basic family budgets. A similar study to the self sufficiency study was prepared in 1999 and released in 2001 by the Economic Policy Institute. This study indicated that the average one-parent, two-child family in rural Indiana would have to earn \$26,618 in pre-tax income (\$2,218 monthly) in order to meet all of its expenses. This study also made use of basic family budgets and its methodology in developing the budgets was similar to the self sufficiency standard. The Economic Policy Institute study covered the entire U.S., while the self sufficiency study was tailored to Indiana.

Exhibit II-25 shows the basic family budget study's estimated monthly expenses needed for a one-parent, two-child family to maintain a safe and decent standard of living in rural Indiana.

**Exhibit II-25.
Basic Monthly Budget: One-Parent, Two-Child Family, Rural Indiana, 1999**

Source:
Hardships In America: The Real Story of Working Families, Economic Policy Institute, 2001.

Line Item	Monthly Amount	Percent of Total
Housing	\$420	18.9%
Food	\$351	15.8%
Child Care	\$637	28.7%
Transportation	\$197	8.9%
Health Care	\$207	9.3%
Other Necessities	\$239	10.8%
Taxes	<u>\$167</u>	<u>7.5%</u>
Total	\$2,218	100.0%

A county level comparison of the average weekly earnings of Indiana households against the above budget found that two out of three non-MSA counties sustain monthly earnings *below* what is required of a one-parent, two-child family to maintain a safe and decent standard of living in rural Indiana.

Sources of income. Indicators of the economic well being of families in Indiana is the percentage of families receiving public assistance. The 2000 Census collected data about sources of supplemental income, such as Supplemental Security Income (SSI) and Public Assistance Income. In 2000, 3.5 percent of the State's households received SSI and 2.6 percent received Public Assistance. According to the ACS, 2.9 percent of households in Indiana received SSI in 2000 and 2002. (The lower percentage for the ACS – other than reported by the 2000 Census – is likely due to the ACS data being limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters.)

Recent estimates indicate that program participation in Temporary Assistance to Needy Families (TANF) increased from 2000 to 2001. Statewide, the rate of participation rose by 0.5 percentage points to 1.8 percent from 1.3 percent. There were nearly 9,000 more families participating in 2001 and 31,780 more individuals receiving assistance. Lake and Marion Counties made up 46 percent of TANF participants and had the highest rates of program participation. MSA counties average 1.25 percent participation in TANF in 2001 compared to 0.89 percent for MSA counties.

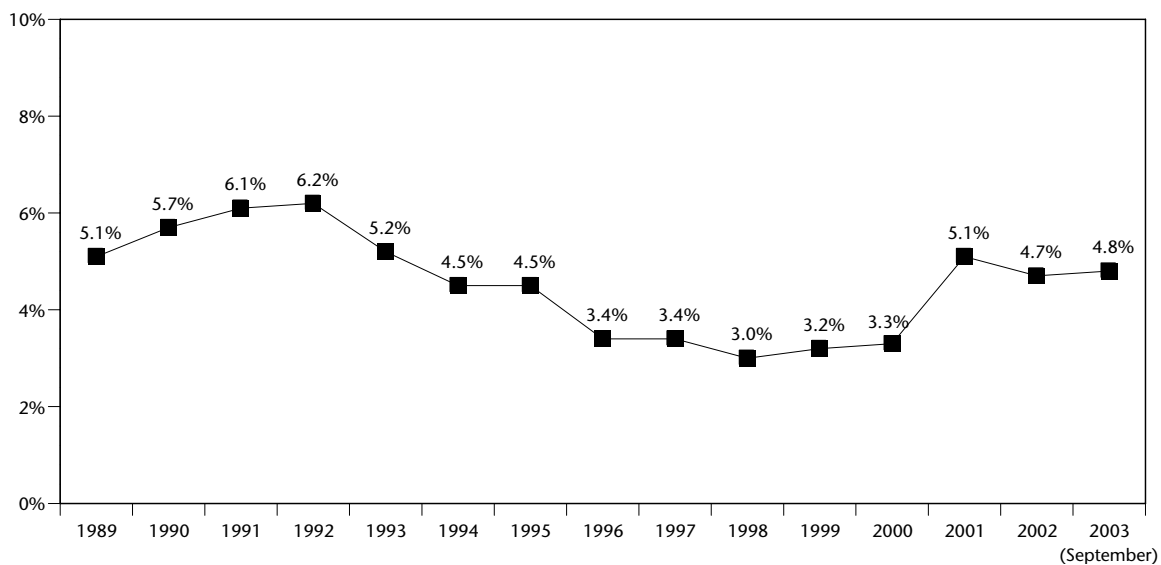
There has also been a recent uptick in food stamps program participation. The monthly average number of persons receiving food stamps in Indiana was 331,206 in 2001. This was 33,865 more

than in 2000, an increase of 11.4 percent. However, the average number of food stamps recipients per month has declined by 17.6 percent Statewide since 1996.

Employment

Unemployment rate. As of September 2003, the average unemployment rate in Indiana was 4.8 percent. This compares to 4.7 percent in December 2002 and 5.1 percent in December 2001. Unemployment rates have risen significantly in 2001 and 2002 after hovering below 3.5 percent from 1996 through 2000. Rates are now at levels that the State last experienced in the early 1990s. Exhibit II-26 below illustrates the broad trend in unemployment rates since 1989.

Exhibit II-26.
Indiana's December Unemployment Rate from 1989 to 2003

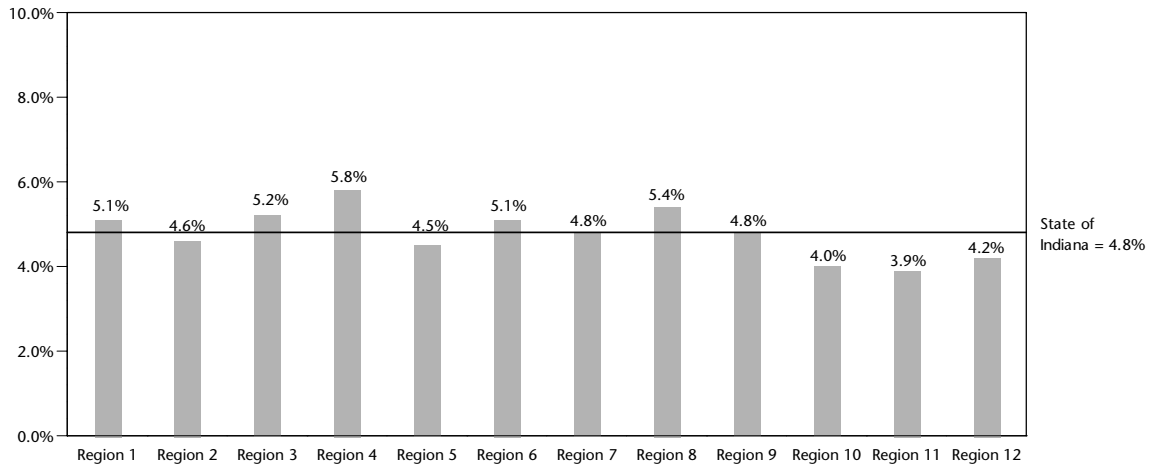


Note: 2003's unemployment rate is from September.

Source: Indiana Department of Workforce Development.

Seven of the 12 Commerce Regions had unemployment rates either the same or higher than the State's September 2003 unemployment rate of 4.8 percent. Commerce Region 4 had the highest unemployment rate of 5.8 percent and Region 11 had the lowest rate of 3.9 percent. Exhibit II-27 shows the unemployment rates for the 12 Commerce Regions for September 2003.

Exhibit II-27.
Unemployment Rate for Indiana and Commerce Regions, September 2003



Source: Indiana Department of Workforce Development.

County unemployment rates ranged from a low of 2.6 percent in Monroe County to a high of 9.2 percent in Fayette County. Exhibit II-28 shows the September 2003 unemployment rates by county, as reported by the Indiana Department of Workforce Development. The shaded counties have an average unemployment rate higher than the Statewide average.

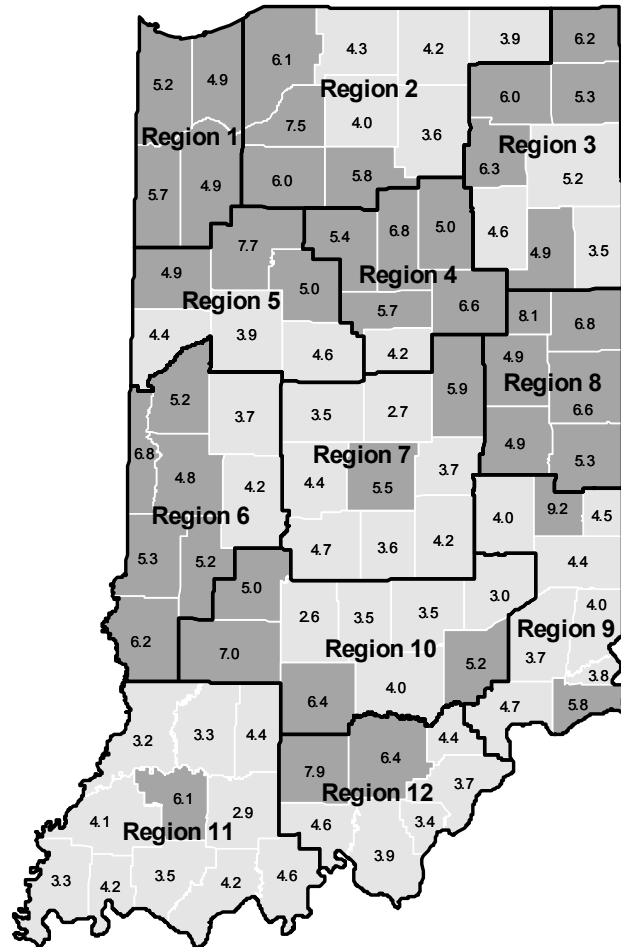
Exhibit II-28.
Unemployment Rates by
County, September 2003

Note:

Indiana's unemployment rate was 4.8 percent in September 2003.

Source:

Indiana Department of Workforce Development and Indiana Business Research Center, IU Kelley School of Business.



Employment sectors. Goods producing industries other than agriculture – that is, mining, manufacturing and construction – remain a major source of employment in Indiana. Indeed, Indiana had the highest percentage of goods producing, non-farm jobs in 2000 compared to its neighboring States, according to the Bureau of Labor Statistics. The data indicate that the percentage of the State's *economy* composed of non-farm, goods producing jobs was nearly 26 percent. The services sector (comprising diverse activities from food service to information technology, health care and the many types of public administration) makes up the remainder of Indiana's non-agricultural economy. Recently, the service sector has become the dominant employment-producing industry.

Exhibit II-29 shows the distribution of jobs by industry in the State as of first quarter 2003.

Exhibit II-29.
Employment by Industry, State
of Indiana, Quarter 1, 2003

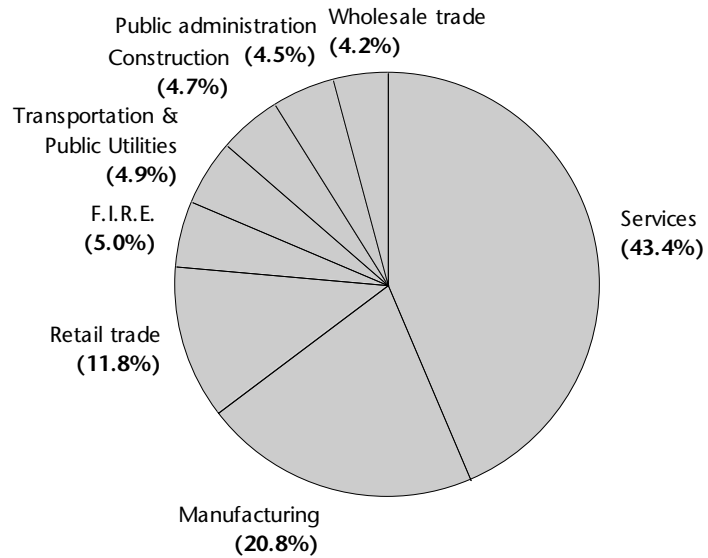
Note:

F.I.R.E. is Finance, Insurance, and Real Estate.

Other includes mining, agricultural services, forestry and fishing.

Source:

Indiana Business Research Center, based on ES202 data.



Although the services industry holds an employment edge Statewide and across the State's Commerce Regions, manufacturing remains an important employer. Commerce regions located in the northeast to north-central part (particularly Regions 2, 3 and 4) of the State tend to have higher percentages of manufacturing jobs than the other Commerce regions of the State. Service jobs are more dominated in Commerce Regions 2 and 4. The following exhibit shows the percentage of jobs by sector for each Commerce Region.

Exhibit II-30
Employment by Industry for Each Commerce Region, 2003

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9	Region 10	Region 11	Region 12
Total employment	253,670	355,575	282,233	115,206	100,327	104,741	823,038	114,719	64,621	164,673	221,134	103,186
Services	47.4% *	37.2% *	39.3% *	38.6% *	44.6% *	40.6% *	45.8% *	45.7% *	36.1% *	42.9% *	40.3% *	37.6% *
Manufacturing	16.2%	32.6%	26.7%	32.1%	24.3%	22.0%	13.0%	22.6%	22.4% *	24.9%	22.1%	21.6% *
Retail Trade	12.6%	10.7%	10.8%	11.6%	12.1%	13.8%	11.5%	12.9%	10.9%	11.5%	11.3%	13.2%
Transportation and Public Utilities	4.5% *	2.7% *	4.7% *	2.4% *	2.7% *	3.7% *	6.5% *	3.0% *	3.4% *	4.9% *	5.7% *	6.6% *
Construction	5.9%	3.8%	4.4%	3.0%	4.0%	3.8%	5.3%	3.3%	3.6%	3.7%	5.3%	5.1%
Wholesale Trade	3.5%	4.3%	4.8%	2.2%	2.4%	2.4%	5.2%	2.7%	1.3% *	2.4%	3.9%	2.5%
F.I.R.E.	3.8%	3.8%	5.2%	3.2%	4.2% *	3.6%	7.4%	3.8%	3.1% *	3.6%	3.7%	3.6%
Public Administration	5.0%	3.8%	3.1%	5.4%	3.8%	7.1%	5.0%	4.4%	4.7%	3.9%	3.5%	5.5%
Other	0.5% *	0.5% *	0.4% *	0.7% *	0.8% *	0.5% *	0.3% *	0.3% *	0.4% *	0.7% *	1.4% *	0.5% *

Note: F.I.R.E is Finance, Insurance, and Real Estate.

Other includes mining, agriculture services, forestry and fishing.

* These totals exclude county data that are not available due to non-disclosure requirements.

Source: Indiana Business Research Center (based on ES202 data) and BBC Research & Consulting.

It should be noted that the fast growing services sector is a very diverse category, and occupations can range from high-paying health services professionals (e.g., doctors, medical) to those employed in the social services and foodservices industries who earn substantially lower wages. In general, wages in the services sector are lower than in the manufacturing sector.

Educational attainment. According to the ACS, the percent of Indiana residents who have earned a bachelor's degree increased between 2000 and 2002 from 19.8 percent to 20.6 percent. This was 5.2 percent lower than the U.S. average (25 percent) in 2002.

The 2000 Census reported that Indiana had a decline in the percentage of individuals aged 25 to 34 and 35 to 44 who had completed high school, indicating an outmigration of more educated people from the State. The following exhibit shows the percent of Indiana resident between the ages of 18 and 44 who had *not* completed high school in 2000. Only five counties had non-completion rates of less than 10 percent; most counties had between 10 and 20 percent of their residents without high school diplomas.

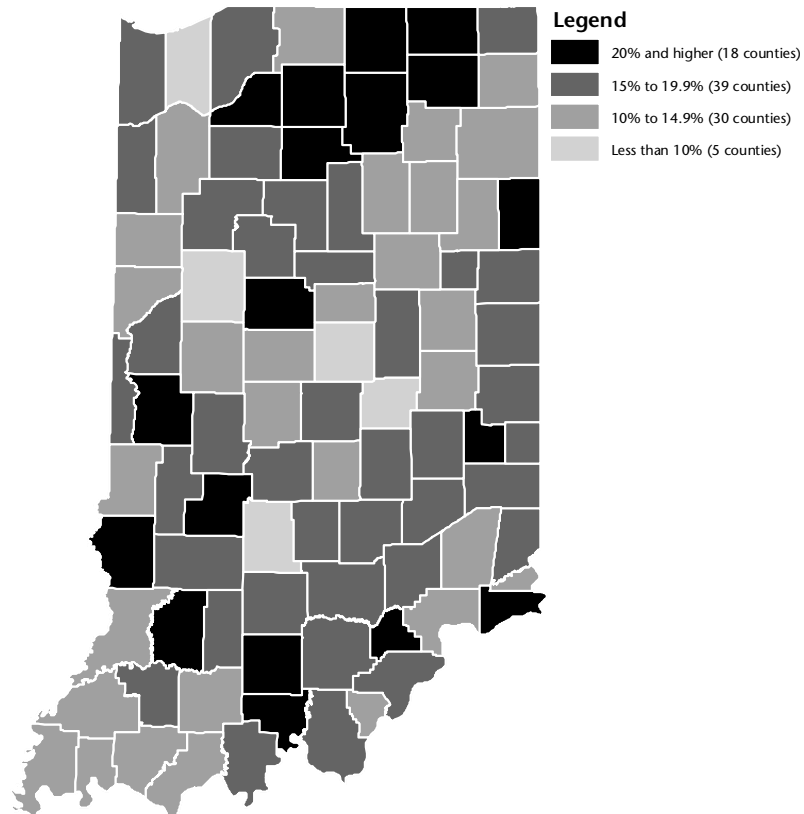
Exhibit II-31.
Percent Ages 18 to 44
Not Completing High
School, 2000

Note:

The data does not include students who do not participate in public schools.

Source:

"In Context" Indiana Department of Commerce, January/February, 2003.



Economic Forecast

Population growth. Growth rates are expected to slow slightly during the early part of the decade. Population growth projections released by the Indiana Business Research Center indicate that Statewide growth between 2000 and 2005 is projected to be 0.54 percent per year, for a total growth of 2.7 percent.

Between 2005 and 2010, the growth rate is expected to stay about the same at 0.55 percent per year, for total growth of 2.8 percent. By 2020, the State is projected to have 6.7 million people, or approximately 660,000 more than in 2000.

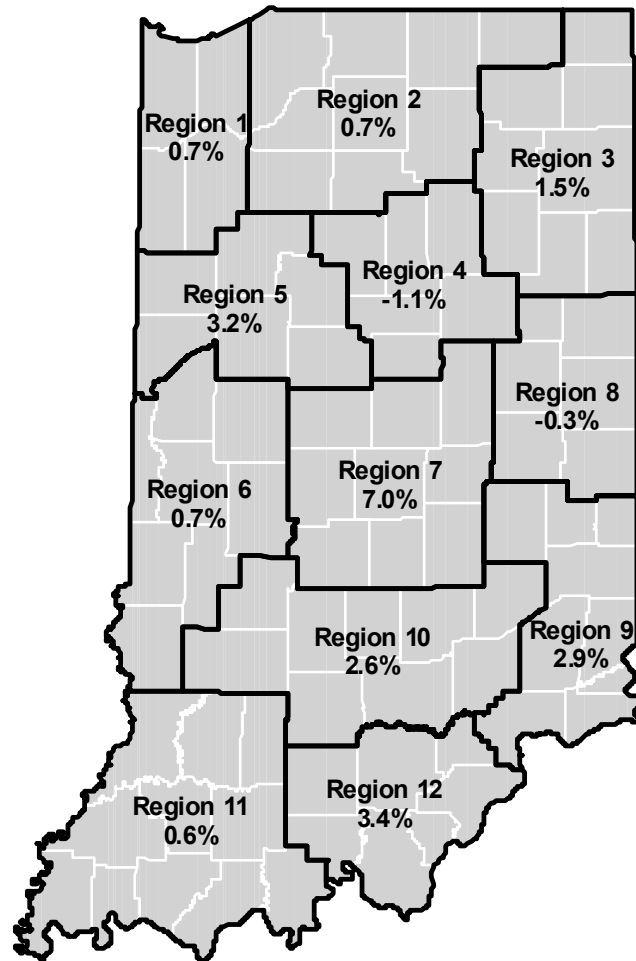
Population growth in non-MSA counties is expected to be slower than growth for the State. Total population in non-MSA counties is projected to increase about 0.17 percent per year from 2000 to 2010, to reach 1.7 million persons by 2010. Given these trends, the percentage of the State's population residing in non-MSA counties is expected to decline from 27.8 percent in 2000 to 26.8 percent in 2010.

Commerce Region 7, which includes the City of Indianapolis, is predicted to have the highest growth through 2005, from a 7 percent increase. Including Commerce Region 7, Commerce Regions 5, 9, and 12 are projected to have a growth rate higher than the State average. The following exhibit shows the forecasted population percent change for the Commerce Regions from 2000 to 2005.

**Exhibit II-32.
Forecasted Population
Percent Change for
Indiana Commerce
Regions, 2000 to 2005**

Source:

Indiana Business Research Center and BBC
Research & Consulting.



Population characteristics. According to Indiana Business Research Center forecasts, the median age in the State is projected to be 36.7 years in the year 2010, compared with 36 years⁴ in 2002. During the next five to ten years, the cohort of persons 65 years of age or older is projected to grow quickly relative to other age groups. Population groups between 45 and 64 years old also will gain significantly over other groups. Declines in population are projected for the population between 25 and 44 years old.

According to commercial data forecasts, racial and ethnic diversity in the State is expected to increase slightly during the next five to ten years. Minority populations are projected to make up 11 percent of the State's population by 2010, compared to 10 percent in 2000 and 2005.

The forecasts also predict that the percentage of households that consist of married couples (with and without children) will stay about the same during the next five to ten years. Households made up of single males and females are projected to be the fastest growing household type. Female-headed households are expected to continue to be the majority of single parent households.

⁴ U.S. Census Bureau, 2002 American Community Survey.

Income and employment. The State's employment growth during the next five and ten years will depend on a number of factors, including the condition of the national economy and the State's ability to deflect recessionary pressures. In terms of job losses, Indiana has been hit harder by the recent recession than most States in the U.S. overall. From Indiana's May 2000 peak at 3,014,400, total employment in Indiana has fallen by 5.1 percent (154,600 jobs) to 2,859,800 in September 2003, compared to the U.S. job decline during the same period of only 1.4 percent.⁵ This places Indiana near the bottom of the nations in job growth during the past two and a half years. The Indiana Business Research Center predicts Indiana employment to see a modest upturn of approximately 1 percent, 28,000 jobs, before 2004 is completed.

A recent article reported that Indiana had lost 68,946 jobs from 2001 to 2003, but had gained 1,393 business establishments.⁶ It is suggested the advanced manufacturing, the integration of automated processes and the resulting gains in productivity with a smaller workforce have caused the number of jobs to decrease while the number of establishments rise. The average weekly wage also went up by \$18 during those two years.

⁵ Conover and Smith. "Indiana" Indiana Business Review: Outlook 2004. Vol. 78, No. 4.

⁶ Rogers. "Counts of Establishment Up, Jobs Down." INCONTEXT. November/December 2003.

SECTION III.

Housing and Community Development Needs

SECTION III.

Housing and Community Development Needs

Introduction

This section discusses the State's housing and community development conditions and needs, as identified by citizens through surveys, public forums, and public comments. This section partially satisfies the requirements of Sections 91.305, 91.310, and 91.315 of the State Government's Consolidated Plan Regulations. A more comprehensive market analysis for the State and a discussion of the challenges of housing special needs groups are found in the Housing Market Analysis and Special Needs sections of the report.

Background on primary data sources. The qualitative housing and community development priorities were obtained from regional forums and a key person survey.

During February 2004, 134 citizens and representatives from nonprofits and local governments attended regional forums to discuss and prioritize the housing and community development needs in their communities. The attendees completed a number of exercises where they discussed community needs, learned of available resources to meet their needs and identified gaps between needs and resources.

In January 2004, 4,400 community surveys were distributed to local government leaders, providers of housing, health, and other community services, members of housing and community coalitions, and other interested parties. A total of 386 surveys were received, representing 86 of the State's 92 counties. Roughly 28 percent of the survey respondents represented local governments in the State, 14 percent were housing providers, 12 percent were social service providers, 8 percent were economic development professionals and the remaining respondents represented other types of organizations (e.g., advocacy, health care providers, etc.).

Regional Forums

To gather public input into the Consolidated Planning process, six public forums were held throughout the State in February 2004. The forums were regionally distributed, with two in the northern, two in the southern, and two in the central part of the State. The six forums were held in Auburn, Crawfordsville, Rensselaer, Rushville, Seymour and Vincennes and lasted approximately two hours. All sites where the forums were held were accessible to persons with disabilities.

The primary purpose of the forums was to provide Indiana residents the opportunity to voice their opinions about the greatest needs in their communities. A secondary purpose was to distribute information about the four HUD grants and eligible activities to citizens and representatives of housing and community development organizations. More than 4,000 brochures were distributed to citizens and organizations throughout the State to announce the forums. In addition, the State used area media contacts and personal telephone calls to key people in each of the communities when the forums were held to publicize the forums.

Community forums. As in past years, there was an attempt to enhance the community participation process. This year every effort was made to increase the diversity and attendance at the forums and to achieve greater understanding of the forum exercises by all participants. As discussed in the participation plan, many progressive methods to reach a wide variety of agencies/organizations and citizens statewide were used to boost attendance.

A total of 134 community participants attended the forums, representing 57 agencies, 47 non-profit organizations and 30 residents/others. Although this was not a significant increase from last year, there was a notable increase in the diversity of participants that attended the sessions. This year a number of mayors, city/small town/state council representatives, and economic development staff were included in those attending the forums. In addition, there was greater participation from a diversity of non-profit organizations/agencies. The following is a detailed account of those attending the sessions.

**Exhibit III-1.
Forum Attendees,
by Type**

Source:
The Keys Group, 2004.

Forum	Resident/ Other	Agencies	Non-Profit	Total Participants
Auburn	3	13	13	29
Crawfordsville	8	12	4	24
Rensselaer	8	11	9	28
Rushville	3	9	2	14
Seymour	4	8	10	22
Vincennes	4	4	9	17
Total	30	57	47	134

Forum Process. The forums began with a brief welcome and introductions of the attending agency representatives. Following introductions, an overview of the forum agenda was presented and participants were divided into groups of no more than six. The groups were then assigned to complete two exercises.

The first activity was designed to assemble a list of the top community issues. The groups worked together to come to consensus about the top issues facing their communities. Following this exercise, a representative from each group from the three State agencies that administer the four HUD grants (the Indiana Department of Commerce, the Indiana Housing Finance Authority and the Family and Social Services Administration) made brief presentations about their agency programs, eligible housing and community development activities and contact information. In addition, the Indiana Civil Rights Commission (ICRC) made a presentation about fair housing issues.

The agency presentations were followed by a second group exercise. Participants were asked to consider the State program activities eligible for HUD funding and rank them in order of need for their communities. This exercise worksheet was modified slightly to have this forum cycle achieve greater understanding of program activities. Groups were given a worksheet delineating CDBG/community development, CDBG/housing, HOME, HOPWA, and ESG eligible activities and asked to prioritize each grouping.

Forum findings. The responses received from forum participants were developed into a list of community issues that were tabulated according to the number of times a group listed them as a top community issue during each of the six regional forums. Exhibit III-2 lists the top concerns at each of the six forums ranked according to the fore mentioned criterion. Those issues listed under the “Statewide” column are the issues organized according to the number of times they appeared as a top ten issue at all of the forums.

As reflected in the exhibit, affordable housing ranked number one over all but one of the forums. As expected from previous years, transportation ranked in the top five overall, but in one of the forums transportation was not placed on the list. In addition, workforce development and job and training appeared consistently at the top of the ranking at all of the forums, where last year special needs housing programs ranked. Special need housing programs were ranked in the top ten but not as high as they had been in previous years. New to the top ten lists were historic preservation and Hispanic programs.

Exhibit III-2.
Top Community Issues, by Forum and Overall

Statewide	Auburn	Crawfordsville	Rensselaer	Rushville	Seymour	Vincennes
Lack of affordable housing	Lack of affordable housing	Affordable transportation	Affordable housing	Affordable housing for mentally ill, single/family	Affordable housing	Affordable housing
Transportation	Lack of affordable or low cost transportation	Water/sewage Infrastructure	Jobs	Jobs	Infrastructure	Housing rehabilitation
Infrastructure	Homeowner rehabilitation	Support services	Infrastructure	Public transportation	Affordable daycare	Employment
Workforce Development	Jobs	Jobs	Transition housing	Economic development	Jobs	Job training
Job Training	Downtown Revitalization/ Commercial Development	Fire stations/ Equipment	Public transportation	Infrastructure	Affordable healthcare	Infrastructure
Homelessness	Infrastructure	Affordable safe housing	Education	Support services with centralized assistance	Transportation	Fire and police departments
Healthcare	Homeless shelter	Qualified workforce	Affordable healthcare	Education	Affordable elder services	Homeless shelters
Childcare	Health care	Professional workforce	Seamless substance abuse treatment	Child care	Downtown revitalization	Child and youth assistance
Downtown Revitalization	Historic preservation	Lack of moderate paying jobs	Economic/ Industrial development	Health care	Special needs housing	Economic development
Youth & Elderly Recreation	Scattered low income housing	Job incentives	Violence/gang problems	Community revitalization	Heating/Utilities assistance	Leadership
	Closing SSI office	Increased poverty	Access to services	Emergency shelter	Hispanic programs	Higher wages
	Financial Assistance for purchasing homes	Housing development	Retirement communities	Transitional housing for many populations	Mental/Substance abuse	Higher education
	Preserving existing farm land	Historic preservation of commercial and residential properties	Media communication	Homeless shelter	Access to services	Increase mainstream vouchers
	Community/ Senior Centers	Emergency shelter	Centralized government services	Senior housing	Financial education	Education on housing opportunities
	Communication	Elderly homeownership	Family recreation	Youth center	Barriers between funding and program agencies	Modification on funding w/ vouchers
	Low income purchasing	Economic development	Community assessment/Gap analysis	Supportive housing	Agency networking	Transportation
	Institutional restoration	Downtown revitalization	Youth development programs		Environment (pollution)	Visit ability (accessibility)
	Education of homeowner	Difference \$ levels of housing	Diversion programs		Non profit economic development	Compliance with fair housing for accessibility
	Youth foster home	Deteriorating housing	Dual diagnosis		Workforce development and living wage	Senior and handicap housing
	Library services	County zoning	Special needs/disability		Foreclosure and homeownership counseling	Childcare/Insurance assistance for single parent families
	Vandalism, increasing crime, drugs	Complex systems	Child/elder care		Zoning issues/ Ordinance	Education/ counseling on homeownership/ purchase
	Financial literacy education	Community draw (attraction)	Handicap housing			Housing vouchers for disabled
	Immigrant employees	Child care	Tenant based rental assistance			Weatherization programming
	Child care	Better access to vouchers	Population integration			
		Available housing				
		Affordable, accessible, quality medical care				

Source: The Keys Group 2004

Top program activities. The program activity lists that follow are organized according to the average ranking received from groups at all six regional forums. The responses received were tallied and divided by the number of groups that ranked the activity. It is important to note that there were some forum groups that chose (because of lack of familiarity with the activity or other varies reasons) not to rank activities and, therefore, the average rankings are based on tallies from groups choosing to rank the activity.

Top program activities: CDBG/community development. As Exhibit III-3 shows, job training and sewers were, on average, the top CDBG/community development program activities. It should be noted that this is different from last year when the top issue was infrastructure to support affordable housing. Exhibits III-8 through III-13 show how the CDBG/community development activities were ranked at the individual forums. The top community development needs were fairly consistent among the individual forums, with job training consistently ranked high and community centers and library expansions ranked lowest.

**Exhibit III-3.
Top Community
Development Activities**

Source:
The Keys Group, 2004.

Community Development Activities (CDBG)	Average Ranking (All Forums)
Job Training/Creation	3.53
Sewer	3.82
Infrastructure in Support of Affordable Housing	4.00
Water	4.33
Downtown Revitalization	4.89
Storm Water	5.07
Community Planning Studies	5.21
Daycare Center	5.79
Healthcare Center	5.94
Fire Station/Truck	7.00
Senior Citizen Centers	7.63
Community Center	7.78
Library Expansion	8.87

Top issues: CDBG/housing. Exhibit III-4 illustrates the top overall CDBG housing activities, including emergency shelters and owner occupied rehabilitation; ranking a 2.95 given all forums. Different from last year, there was no consistency in ranking in this area. In addition, there was no pattern to the ranking even within forum groups attending the same session (see Exhibits III-8 through III-13 for rankings at each forum).

**Exhibit III-4.
Top Housing
Activities (CDBG)**

Source:
The Keys Group, 2004.

House Activities (CDBG)	Average Ranking (All Forums)
Emergency Shelter	2.95
Owner-Occupied Rehabilitation	2.95
Down Payment Assistance	4.26
Rental Housing Rehabilitation	4.58
Housing Needs Assessments	4.75
Home Repair/Home Modification	4.88
Transitional Housing Rehabilitation	4.88
Youth Shelter	5.47
Development Feasibility Studies	5.69
Migrant/Seasonal Farm Worker Housing	8.13

Top issues: HOME. Exhibit III-5 shows the activities associated with low income residents qualifying for mortgages ranked on average, the highest overall for HOME funded eligible activities. Providing assistance to those wanting to become homeowners received high overall rankings and appeared to be a top concern at all the forums that ranked the activities. However, a closer review of the ranking finds that although mortgage assistance ranked high on average, rental housing ranked consistently higher by more groups than every activity in this category with owner occupied rehabilitation ranking consistently high as well. The lowest priorities were given to the activities of rental refinance (like last year) and predevelopment loans. These findings are shown in Exhibits III-8 through III-13.

**Exhibit III-5.
Top Housing/
HOME Activities**

Source:
The keys Group, 2004.

HOME Investment Partnerships Funds (HOME)	Average Ranking (All Forums)
Low income qualified mortgage assistance in lieu of foreclosure	1.00
Rental Housing	3.21
Homeownership Counseling/Down Payment Assistance	3.24
Transitional Housing	3.37
Single Family Homeownership (Homebuyer)	3.67
Tenant-Based Rental Assistance	4.59
Owner-Occupied Housing	5.25
Homeowner Repair and Refinance	5.37
Lease-Purchase	6.93
Predevelopment Loans	7.00
Rental Refinance	7.07

Top Issues: Housing for People with AIDS (HOPWA). As Exhibit III-6 illustrates, support services for persons with AIDS ranked highest at all of the forums on average. Although a close review of the data finds all HOPWA activities ranking high by one forum group or another. Although support services rank consistently highest, rental assistance and those activities providing direct support for those with AIDS were across the board noted as high priority. Exhibits III-8 through III-13 support this finding.

**Exhibit III-6.
Top HOPWA Activities**

Source:
The Linda Keys Group, 2004

Housing Opportunities for Persons with AIDS (HOPWA)	Average Ranking (All Forums)
Support Services	2.82
Housing Information	3.50
Rental Assistance	3.50
Acquisition of Housing	4.00
Short Term Rent	4.14
Operating Cost	4.40
Short Term Mortgage Payments	5.00
Technical Assistance	5.17
Utility Assistance	5.29
Home Repair/Modifications	6.60
Rehabilitation	6.67
New Construction of Housing	10.00

Top Issues: Emergency Shelter Grants (ESG). While the HOPWA program’s highest priority rankings were those associated with helping clients with housing and living expenses, the opposite was true for the ESG program activity rankings; shelter management (specifically in terms of salaries) and operational expenses ranked as the top priorities for the ESG program. Supporting service providers with administrative overhead was the top ESG program activity priority across all forums, while providing money to cover client personal and housing expenses ranked below shelter management support. This breakdown held true even when examining the forum-by-forum group priorities, as shown in the following exhibits.

**Exhibit III-7.
Top ESG Shelter Activities**

Source:
The Keys Group, 2004.

Emergency Shelter Grants (ESG)	Average Ranking (All Forums)
Shelter Services	
Case Management	2.09
Shelter Operations	
Salaries	2.23
Management/Rental Payment	2.55
Utility Bills	3.36
Homelessness Prevention	
Client First Month's Rent	3.33
Client Rental Payment	3.41
Client Utility Bills	3.47
Client Security Deposit	3.50
Client Back Utility Bills	4.21

Top issues by forum site. Exhibits III-8 to III-13 show individual groups and average ranking for all activities by forum locations.

Exhibit II-8.
Auburn Activities

	Overall Average	Aubum					Average			
		1	2	3	4	5				
Community Development Activities CDBG										
Job Training/Creation	3.53	5	1		10	3	4.75			
Sewer	3.82	1	3		5	1	2.50			
Infrastructure in Support of Affordable Housing	4.00	4	3		9	5	5.25			
Water	4.33	2	3		5	2	3.00			
Downtown Revitalization	4.89	4	2		2	4	3.00			
Storm Water	5.07	3	3		5	1	3.00			
Community Planning Studies	5.21	4	4		1		3.00			
Daycare Center	5.79	8	4		11	7	7.50			
Healthcare Center	5.94	4	4		7	6	5.25			
Fire Station/Truck	7.00	4	5		6		5.00			
Senior Citizen Centers	7.63	7	4	1	4		4.00			
Community Center	7.78	6	2		3		3.67			
Library Expansion	8.87	9	4	1	8		5.50			
Housing Activities CDBG										
Emergency Shelter	2.95	3	3	1	6		3.25			
Owner-Occupied Rehabilitation	2.95	4	2		4	1	2.75			
Down Payment Assistance	4.26	5	3		5		4.33			
Rental Housing Rehabilitation	4.58	6	3		3	4	4.00			
Housing Needs Assessments	4.75	1	1		1	5	2.00			
Home Repair/Home Modification	4.88	2	2		9	2	3.75			
Transitional Housing Rehabilitation	4.88	7	3		7		5.67			
Youth Shelter	5.47	9	3		8		6.67			
Development Feasibility Studies	5.69	10	1		2	3	4.00			
Migrant/Seasonal Farm Worker Housing	8.13	8	3		10		7.00			
HOME Investment Partnerships Funds (HOME)										
Low income qualified mortgage assistance in lieu of foreclosure	1.00	2	2		1		1.67			
Rental Housing	3.21	8	1		1		3.33			
Homeownership Counseling/Down Payment Assistance	3.24	1	1		6	4	3.00			
Transitional Housing	3.37	6	3		3		4.00			
Single Family Homeownership (Homebuyer)	3.67	2	1	1	5	3	2.40			
Tenant-Based Rental Assistance	4.59	7	2		4		4.33			
Owner-Occupied Housing	5.25	4	3		8	2	4.25			
Homeowner Repair and Refinance	5.37	3	2		7	1	3.25			
Lease-Purchase	6.93	5	3		10		6.00			
Predevelopment Loans	7.00	9	3		9		7.00			
Rental Refinance	7.07		3		2		2.50			
Emergency Shelter Grants (ESG)										
Shelter Services										
Case Management	2.09	1		8	1	6	4.00			
Emergency Shelter Grants (ESG) (continued)										
Shelter Operations										
Salaries	2.23		4		5		9	6.00		
Management/Rental Payment	2.55		3		6		7	5.33		
Utility Bills	3.36		3		7		8	6.00		
Homelessness Prevention										
Client Utility Bills	3.33		3		2		2	2	2.25	
Client Rental Payment	3.41		3		2		1	2	2.00	
Client Security Deposit	3.47		3		2		5	2	3.00	
Client First Month's Rent	3.50		3		2		1	4	2	2.40
Client Back Utility Bills	4.21		3		2		1	3	2	2.20
Housing Opportunities for Persons with AIDS (HOPWA)										
Support Services	2.82				2				2.00	
Housing Information	3.50				3				3.00	
Rental Assistance	3.50				1				1.00	
Acquisition of Housing	4.00				3				3.00	
Short Term Rent	4.14				1				1.00	
Operating Cost	4.40				3				3.00	
Short Term Mortgage Payments	5.00				1				1.00	
Technical Assistance	5.17				3				3.00	
Utility Assistance	5.29				1				1.00	
Home Repair/Modifications	6.60				3				3.00	
Rehabilitation	6.67				3				3.00	
New Construction of Housing	10.00				3				3.00	
Fair Housing Needs										
Host training	2.13		1		1				1.00	
Conduct a survey of fair housing tests in your area	2.38								*	
Distribute fair housing information in your community	2.81		2		1		1		1.33	
Partner with others in your area to promote fair housing	3.17								*	
Recruit members from area to serve on the statewide task force	3.25								*	
Implement a local fair housing ordinance in your town	4.50		3						3.00	
Target a specific fair housing concern in your community	4.50								*	
Hold local fair housing symposia in a language other than English	4.75				1				1.00	
Hold a statewide fair housing summit in your area	5.86								*	
Important to # Communities										
- concerning predatory lending	10.0		X		X					
- concerning accessible housing and rights	8.0				X					
- concerning fair housing rights of Latinos or other ethnic group	7.0		X							
What languages would be useful? (brochures)	Spanish, Asian, Middle East									

Source: The Keys Group, 2004.

**Exhibit III-9.
Crawfordsville Activities**

	Overall Average	Crawfordsville				Average
		1	2	3	4	Average
Community Development Activities CDBG						
Job Training/Creation	3.53					*
Sewer	3.82	4		1	9	4.67
Infrastructure in Support of Affordable Housing	4.00	6	6	2	1	3.75
Water	4.33	7		5	10	7.33
Downtown Revitalization	4.89	1	1	3	2	1.75
Storm Water	5.07	3			4	3.50
Community Planning Studies	5.21					*
Daycare Center	5.79	2	2	6	7	4.25
Healthcare Center	5.94	5	3		6	4.67
Fire Station/Truck	7.00	8		4	5	5.67
Senior Citizen Centers	7.63	11	5	8	12	9.00
Community Center	7.78	10	4	9	11	8.50
Library Expansion	8.87	9	7	7	8	7.75
Housing Activities CDBG						
Emergency Shelter	2.95	1	7	5	6	4.75
Owner-Occupied Rehabilitation	2.95	4	2	2	2	2.50
Down Payment Assistance	4.26	5	1	1	3	2.50
Rental Housing Rehabilitation	4.58	3	3	3	1	2.50
Housing Needs Assessments	4.75		8	9	8	8.33
Home Repair/Home Modification	4.88					*
Transitional Housing Rehabilitation	4.88	2	4	7	4	4.25
Youth Shelter	5.47	6	6	6	5	5.75
Development Feasibility Studies	5.69		9	4	7	6.67
Migrant/Seasonal Farm Worker Housing	8.13		5	8	9	7.33
HOME Investment Partnerships Funds (HOME)						
Low income qualified mortgage assistance in lieu of foreclosure	1.00		1	6	1	2.67
Rental Housing	3.21	3	3	1	2	2.25
Homeownership Counseling/Down Payment Assistance	3.24	4	4	5	4	4.25
Transitional Housing	3.37	1	1		5	2.33
Single Family Homeownership (Homebuyer)	3.67	10	6	3	3	5.50
Tenant-Based Rental Assistance	4.59	5	2	2	6	3.75
Owner-Occupied Housing	5.25	8	5		1	4.67
Homeowner Repair and Refinance	5.37	9	9		9	9.00
Lease-Purchase	6.93	2	7		8	5.67
Predevelopment Loans	7.00	6	10	4	7	6.75
Rental Refinance	7.07	7	8		10	8.33
Emergency Shelter Grants (ESG)						
Shelter Services						
Case Management	2.09				2	2.00

	Overall Average	Crawfordsville				Average
		1	2	3	4	Average
Emergency Shelter Grants (ESG) (continued)						
Shelter Operations						
Salaries	2.23				1	1.00
Management/Rental Payment	2.55		1		1	1.00
Utility Bills	3.36		8		1	4.50
Homelessness Prevention						
Client Utility Bills	3.33	3	5	6		4.67
Client Rental Payment	3.41	6	4	5		5.00
Client Security Deposit	3.47	2	2	3		2.33
Client First Month's Rent	3.50	9	3	2		4.67
Client Back Utility Bills	4.21	10	1	4		5.00
Housing Opportunities for Persons with AIDS (HOPWA)						
Support Services	2.82		2	1		1.50
Housing Information	3.50		4	3		3.50
Rental Assistance	3.50		1	2		1.50
Acquisition of Housing	4.00					*
Short Term Rent	4.14		3			3.00
Operating Cost	4.40					*
Short Term Mortgage Payments	5.00					*
Technical Assistance	5.17					*
Utility Assistance	5.29					*
Home Repair/Modifications	6.60					*
Rehabilitation	6.67					*
New Construction of Housing	10.00					*
Fair Housing Needs						
Host training	2.13	2	2			2.00
Conduct a survey of fair housing tests in your area	2.38	6	4			5.00
Distribute fair housing information in your community	2.81	5	1			3.00
Partner with others in your area to promote fair housing	3.17	3				3.00
Recruit members from a area to serve on the statewide task force	3.25	1				1.00
Implement a local fair housing ordinance in your town	4.50	4	5			4.50
Target a specific fair housing concern in your community	4.50		6			6.00
Hold local fair housing symposia in a language other than English	4.75	7	3			5.00
Hold a statewide fair housing summit in your area	5.86					0.00
Important to # Communities						
- concerning predatory lending	10.0		X			
- concerning accessible housing and rights	8.0	X	X			
- concerning fair housing rights of Latinos or other ethnic group	7.0	X	X			
What languages would be useful? (brochures)	Spanish					

Source: The Keys Group, 2004.

**Exhibit III-10.
Rensselaer Activities**

	Overall Average	Rensselaer					Overall Average	Rensselaer						
		1	2	3	4	Average		1	2	3	4	Average		
Community Development Activities CDBG							Emergency Shelter Grants (ESG) (continued)							
Job Training/Creation						3.53		Shelter Operations						
Sewer	3.82	1	1	5	3	2.50	Salaries	2.23	6	3	1	7	4.25	
Infrastructure in Support of Affordable Housing	4.00	2	1	6	3.00		Management/Rental Payment	2.55	8	1	3	8	5.00	
Water	4.33	4	3	4	1	3.00	Utility Bills	3.36	7	2	5	4	4.50	
Downtown Revitalization	4.89	2	2	5	3.00		Homelessness Prevention							
Storm Water	5.07	7	10	8	8.33		Client First Month's Rent	3.33	2	3	1	7	3.25	
Community Planning Studies	5.21	3	7	5.00			Client Rental Payment	3.41	2	2	4	4	3.00	
Daycare Center	5.79	6	2	13	4	5.00	Client Utility Bills	3.47	2	1	3	5	2.75	
Healthcare Center	5.94	8	8	2	6.00		Client Security Deposit	3.50	2	4	2	6	3.50	
Fire Station/Truck	7.00	5	4	6	9	6.00	Client Back Utility Bills	4.21	2	5	5	8	5.00	
Senior Citizen Centers	7.63	12	11	11.50			Housing Opportunities for Persons with AIDS (HOPWA)							
Community Center	7.78	7	10	8.50			Support Services	2.82		2	1		1.50	
Library Expansion	8.87	9	12	10.50			Housing Information	3.50		4	8		6.00	
Housing Activities CDBG							Rental Assistance	3.50		5	4		4.50	
Emergency Shelter	2.95	1	1	2	1.33		Acquisition of Housing	4.00		1	9		5.00	
Owner-Occupied Rehabilitation	2.95	4	6	6	4	5.00	Short Term Rent	4.14		6	2		4.00	
Down Payment Assistance	4.26	1	8	4	6	4.75	Operating Cost	4.40			5		5.00	
Rental Housing Rehabilitation	4.58	5	3	8	5.33		Short Term Mortgage Payments	5.00			3		3.00	
Housing Needs Assessments	4.75	2	2	7	5	4.00	Technical Assistance	5.17			6		6.00	
Home Repair/Home Modification	4.88	7	8	9	8.00		Utility Assistance	5.29			7		7.00	
Transitional Housing Rehabilitation	4.88	4	2	3	3.00		Home Repair/Modifications	6.60			11		11.00	
Youth Shelter	5.47	3	5	1	3.00		Rehabilitation	6.67		3	10		6.50	
Development Feasibility Studies	5.69	2	9	7	6.75		New Construction of Housing	10.00			12		12.00	
Migrant/Seasonal Farm Worker Housing	8.13	5	10	10	10	8.75	Fair Housing Needs							
HOME Investment Partnerships Funds (HOME)							Host training	2.13		1		2	1.33	
Low income qualified mortgage assistance in lieu of foreclosure	1.00		1		1.00		Conduct a survey of fair housing tests in your area	2.38			4	3	3.50	
Rental Housing	3.21	2	2	1	2	1.75	Distribute fair housing information in your community	2.81			6	5	5.50	
Homeownership Counseling/Down Payment Assistance	3.24	4	3	4	4	3.75	to promote fair housing	3.17		2	3	6	3.67	
Transitional Housing	3.37	3	1	2	1	1.75	Recruit members from area to serve on the statewide task force	3.25			2	7	4.50	
Single Family Homeownership (Homebuyer)	3.67	1	4	6	5	4.00	Implement a local fair housing ordinance in your town	4.50			5	4	4.50	
Tenant-Based Rental Assistance	4.59	9	3	3	5.00		Target a specific fair housing concern in your community	4.50			8	1	4.50	
Owner-Occupied Housing	5.25	6	8	9	7.67		Hold local fair housing symposia in a language other than English	4.75			7	9	8.00	
Homeowner Repair and Refinance	5.37	7	7	8	7.33		Hold a statewide fair housing summit in your area	5.86			9	8	8.50	
Lease-Purchase	6.93	5	5	3.33			Important to # Communities							
Predevelopment Loans	7.00	10	10	6	8.67		- concerning predatory lending	10.00				X		
Rental Refinance	7.07	8	9	7	8.00		- concerning accessible housing and rights	8.00						
Emergency Shelter Grants (ESG)							- concerning fair housing rights of Latinos or other ethnic group	7.00						
Shelter Services							What languages would be useful? (brochures)						Spanish/English	
Case Management	2.09	9	4	2	1	4.00								

Source: The Keys Group, 2004.

**Exhibit III-11.
Rushville Activities**

	Overall Average	Rushville		Average		Overall Average	Rushville		Average
		1	2				1	2	
Community Development Activities CDBG					Emergency Shelter Grants (ESG) (continued)				
Job Training/Creation					Shelter Operations				
Sewer	3.53	1	3	2.00	Salaries	2.23	2	4	3.00
Infrastructure in Support of Affordable Housing	3.82	4	11	7.50	Management/Rental Payment	2.55	5	1	3.00
Water	4.00	3	1	2.00	Utility Bills	3.36	4	5	4.50
Downtown Revitalization	4.33	5	10	7.50	Homelessness Prevention				
Storm Water	4.89	8	2	5.00	Client Utility Bills	3.33	5	2	3.50
Community Planning Studies	5.07	6	12	9.00	Client Rental Payment	3.41	2	2	2.00
Daycare Center	5.21	2	5	3.50	Client Security Deposit	3.47	3	3	3.00
Healthcare Center	5.79	9	8	8.50	Client First Month's Rent	3.50	4	1	2.50
Fire Station/Truck	5.94	7	4	5.50	Client Back Utility Bills	4.21	7	2	4.50
Senior Citizen Centers	7.00		14	14.00	Housing Opportunities for Persons with AIDS (HOPWA)				
Community Center	7.63		13	13.00	Support Services	2.82	1		1.00
Library Expansion	7.78	10	7	8.50	Housing Information	3.50	3		3.00
	8.87		9	9.00	Rental Assistance	3.50			*
Housing Activities CDBG					Acquisition of Housing	4.00			0.00
Emergency Shelter	2.95	2	1	1.50	Short Term Rent	4.14			0.00
Owner-Occupied Rehabilitation	2.95	1	3	2.00	Operating Cost	4.40			0.00
Down Payment Assistance	4.26	5	7	6.00	Short Term Mortgage Payments	5.00			0.00
Rental Housing Rehabilitation	4.58	8	2	5.00	Technical Assistance	5.17	2		2.00
Housing Needs Assessments	4.75		5	5.00	Utility Assistance	5.29			*
Home Repair/Home Modification	4.88	3	3	3.00	Home Repair/Modifications	6.60			*
Transitional Housing Rehabilitation	4.88	7	4	5.50	Rehabilitation	6.67			*
Youth Shelter	5.47	6	6	6.00	New Construction of Housing	10.00			*
Development Feasibility Studies	5.69		8	8.00	Fair Housing Needs				
Migrant/Seasonal Farm Worker Housing	8.13		9	9.00	Host training	2.13	2	1	1.50
HOME Investment Partnerships Funds (HOME)					Conduct a survey of fair housing tests in your area	2.38		3	3.00
Low income qualified mortgage assistance in lieu of foreclosure	1.00		1	1.00	Distribute fair housing information in your community	2.81	1	4	2.50
Rental Housing	3.21	6	3	4.50	Partner with others in your area to promote fair housing	3.17		4	2.00
Homeownership Counseling/Down Payment Assistance	3.24	2	4	3.00	Recruit members from area to serve on the statewide task force	3.25		1	1.00
Transitional Housing	3.37	5	1	3.00	Implement a local fair housing ordinance in your town	4.50		2	2.00
Single Family Homeownership (Homebuyer)	3.67	4	5	4.50	Target a specific fair housing concern in your community	4.50		1	1.00
Tenant-Based Rental Assistance	4.59	8	2	5.00	Hold local fair housing symposia in a language other than English	4.75	3	4	3.50
Owner-Occupied Housing	5.25	3	9	6.00	Hold a statewide fair housing summit in your area	5.86		2	2.00
Homeowner Repair and Refinance	5.37	1	6	3.50	Important to # Communities				
Lease-Purchase	6.93	9	8	8.50	- concerning predatory lending	10.0	X	X	
Predevelopment Loans	7.00	10	7	8.50	- concerning accessible housing and rights	8.0	X	X	
Rental Refinance	7.07	7	10	8.50	- concerning fair housing rights of Latinos or other ethnic group	7.0	X	X	
Emergency Shelter Grants (ESG)					What languages would be useful? (brochures)	Spanish, Japanese			
Shelter Services									
Case Management	2.09		1	1.00					

Source: The Keys Group, 2004

Exhibit III-12.
Seymour Activities

	Overall Average	Seymour				Average
		1	2	3	4	
Community Development Activities CDBG						
Job Training/Creation	3.53	2	11	1	3	4.25
Sewer	3.82	8	1	2		3.67
Infrastructure in Support of Affordable Housing	4.00	1	13	2	1	4.25
Water	4.33	7	2	2	5	4.00
Downtown Revitalization	4.89	3	8	3	2	4.00
Storm Water	5.07	9	7	2		6.00
Community Planning Studies	5.21	5	9			7.00
Daycare Center	5.79	4	4		4	4.00
Healthcare Center	5.94	6	12			9.00
Fire Station/Truck	7.00	10	3			6.50
Senior Citizen Centers	7.63	11	6	4		7.00
Community Center	7.78	9.5	5	4		6.17
Library Expansion	8.87	12	10			11.00
Housing Activities CDBG						
Emergency Shelter	2.95	3	6	2	1	3.00
Owner-Occupied Rehabilitation	2.95	1	2	1	5	2.25
Down Payment Assistance	4.26	5	3		6	4.67
Rental Housing Rehabilitation	4.58	2	9		4	5.00
Housing Needs Assessments	4.75	9	4			6.50
Home Repair/Home Modification	4.88	4	7	1	7	4.75
Transitional Housing Rehabilitation	4.88	7	1		2	3.33
Youth Shelter	5.47	10	8		3	7.00
Development Feasibility Studies	5.69	8	5			6.50
Migrant/Seasonal Farm Worker Housing	8.13	6	10			8.00
HOME Investment Partnerships Funds (HOME)						
Low income qualified mortgage assistance in lieu of foreclosure	1.00	1		1		1.00
Rental Housing	3.21	4	4		4	4.00
Homeownership Counseling/Down Payment Assistance	3.24	5	1	4	1	2.75
Transitional Housing	3.37	5	2	3	3	3.25
Single Family Homeownership (Homebuyer)	3.67	7	3		2	4.00
Tenant-Based Rental Assistance	4.59	1	6		5	4.00
Owner-Occupied Housing	5.25	3	9			6.00
Homeowner Repair and Refinance	5.37	2	7	2	6	4.25
Lease-Purchase	6.93	5	10			7.50
Predevelopment Loans	7.00	9	5			7.00
Rental Refinance	7.07	10	8			9.00
Emergency Shelter Grants (ESG)						
<i>Shelter Services</i>						
Case Management	2.09	5	1	2	1	2.25
Emergency Shelter Grants (ESG) (continued)						
<i>Shelter Operations</i>						
Salaries	2.23	1	1	1		1.00
Management/Rental Payment	2.55	2		4		3.00
Utility Bills	3.36	3		3	6	4.00
<i>Homelessness Prevention</i>						
Client Utility Bills	3.33	9	6			7.50
Client Rental Payment	3.41	8	7			7.50
Client Security Deposit	3.47	6	8		5	6.33
Client First Month's Rent	3.50	5	4			4.50
Client Back Utility Bills	4.21	7	9	1	6	5.75
Housing Opportunities for Persons with AIDS (HOPWA)						
Support Services	2.82	5			1	3.00
Housing Information	3.50	6			2	4.00
Rental Assistance	3.50	1			3	2.00
Acquisition of Housing	4.00	7				7.00
Short Term Rent	4.14	2				2.00
Operating Cost	4.40	4				4.00
Short Term Mortgage Payments	5.00	3				3.00
Technical Assistance	5.17	8				8.00
Utility Assistance	5.29	12			5	8.50
Home Repair/Modifications	6.60	10				5.00
Rehabilitation	6.67	9			4	6.50
New Construction of Housing	10.00	11				11.00
Fair Housing Needs						
Host training	2.13	8	1	1	1	2.75
Conduct a survey of fair housing tests in your area	2.38	2			4	3.00
Distribute fair housing information in your community	2.81	5	4	2	3	3.50
Partner with others in your area to promote fair housing	3.17	1	2		2	1.67
Recruit members from a area to serve on the statewide task force	3.25	3	3			3.00
Implement a local fair housing ordinance in your town	4.50	4			5	4.50
Target a specific fair housing concern in your community	4.50	6				6.00
Hold local fair housing symposia in a language other than English	4.75	7				7.00
Hold a statewide fair housing summit in your area	5.86	9				9.00
Important to # Communities						
- concerning predatory lending	10.0		X	X		
- concerning accessible housing and rights	8.0				X	
- concerning fair housing rights of Latinos or other ethnic group	7.0					
What languages would be useful? (brochures)	English, Spanish					

Source: The Keys Group, 2004.

Exhibit III-13.
Vincennes Activities

	Overall Average	Vincennes			Average
		1	2	3	
Community Development Activities CDBG					
Job Training/Creation	3.53	8	1	1	3.33
Sewer	3.82	2		4	3.00
Infrastructure in Support of Affordable Housing	4.00	9	4	2	5.00
Water	4.33	1		3	2.00
Downtown Revitalization	4.89	10		13	11.50
Storm Water	5.07	6		5	5.50
Community Planning Studies	5.21	5	3	10	6.00
Daycare Center	5.79	7	2	7	5.33
Healthcare Center	5.94	4		9	6.50
Fire Station/Truck	7.00	3		6	4.50
Senior Citizen Centers	7.63	11		8	9.50
Community Center	7.78	12		11	11.50
Library Expansion	8.87	13		12	12.50
Housing Activities CDBG					
Emergency Shelter	2.95	3	3	2	2.67
Owner-Occupied Rehabilitation	2.95	6	1	1	2.67
Down Payment Assistance	4.26	4	5	4	4.33
Rental Housing Rehabilitation	4.58	8	4	8	6.67
Housing Needs Assessments	4.75	2		7	4.50
Home Repair/Home Modification	4.88	7	2	5	4.67
Transitional Housing Rehabilitation	4.88	9		10	9.50
Youth Shelter	5.47	5		3	4.00
Development Feasibility Studies	5.69	1		6	3.50
Migrant/Seasonal Farm Worker Housing	8.13	10		9	9.50
HOME Investment Partnerships Funds (HOME)					
Low income qualified mortgage assistance in lieu of foreclosure	1.00	2		2	2.00
Rental Housing	3.21	6	4	4	4.67
Homeownership Counseling/Down Payment Assistance	3.24	2	2	3	2.33
Transitional Housing	3.37	7	5	7	6.33
Single Family Homeownership (Homebuyer)	3.67	3	1	2	2.00
Tenant-Based Rental Assistance	4.59	4		9	6.50
Owner-Occupied Housing	5.25	5		1	3.00
Homeowner Repair and Refinance	5.37	8	3	5	8.00
Lease-Purchase	6.93	10		10	10.00
Predevelopment Loans	7.00	1		6	3.50
Rental Refinance	7.07	9		8	8.50
Emergency Shelter Grants (ESG)					
<i>Shelter Services</i>					
Case Management	2.09		1	1	1.00
Emergency Shelter Grants (ESG) (continued)					
<i>Shelter Operations</i>					
Salaries	2.23		2	2	2.00
Management/Rental	2.55		3	3	3.00
Utility Bills	3.36		4	4	4.00
<i>Homelessness Prevention</i>					
Client Utility Bills	3.33	1		2	1.50
Client Rental	3.41	3		1	2.00
Client Security	3.47	4		1	2.50
Client First Month's Rent	3.50	5		2	3.50
Client Back Utility Bills	4.21	2			2.00
Housing Opportunities for Persons with AIDS (HOPWA)					
Support Services	2.82	9	1	6	5.33
Housing	3.50	1		1	1.00
Rental Assistance	3.50	6	2	10	6.00
Acquisition of	4.00	2		2	2.00
Short Term Rent	4.14	8		7	7.50
Operating	4.40	7		3	5.00
Short Term Mortgage	5.00	10		8	9.00
Technical	5.17	3		9	6.00
Utility Assistance	5.29	4	3	5	6.00
Home	6.60	5		4	4.50
Rehabilitation	6.67	11			5.50
New Construction of	10.00	12		12	12.00
Fair Housing Needs					
Host training	2.13	7	1	2	3.33
Conduct a survey of fair housing tests in your	2.38	2		3	2.50
Distribute fair housing information in your	2.81	1	3	1	1.67
Partner with others in your area to promote fair	3.17	9		6	7.50
Recruit members from area to serve on the statewide task	3.25	5		4	4.50
Implement a local fair housing ordinance in your	4.50	4		9	6.50
Target a specific fair housing concern in your	4.50	3	4	7	4.67
Hold local fair housing symposia in a language other than	4.75	8		8	8.00
Hold a statewide fair housing summit in your	5.86	6	2	5	4.33
Important to # Communities					
- concerning predatory	10.0		X	X	
- concerning accessible housing and	8.0		X	X	
- concerning fair housing rights of Latinos or other ethnic	7.0		X	X	
What languages would be useful?	English, Spanish				

Source: The Keys Group, 2004.

Top priorities: fair housing. The final section of the exercise provided a list of ongoing fair housing activities in the State of Indiana by the Indiana Civil Rights Commission (ICRC). The top fair housing needs in the areas in which the forums were held included training, outreach and education testing to detect discrimination and participating in a fair housing task force.

Community Survey

In January 2004, 4,400 surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations and others. The surveys asked respondents a number of questions about housing and community development needs, including fair housing accessibility, in their communities. A copy of the survey is located in Appendix C. A total of 386 surveys were returned, for a response rate of 9 percent.¹

Demographics of survey respondents. Surveys were received from 86 of the 92 counties in Indiana. Exhibit III-14 shows the distribution of the various types of organizations from which surveys were received. As the exhibit shows, a wide variety of types of organizations were represented in the 2004 survey data. The distribution of respondent organizations was very similar to 2003 and 2002; both were more diverse than the 2001 respondent organizations (although several of these organizations were unidentifiable as they responded to the “other” category).

Exhibit III-14. Distribution of Respondents by Type of Organization

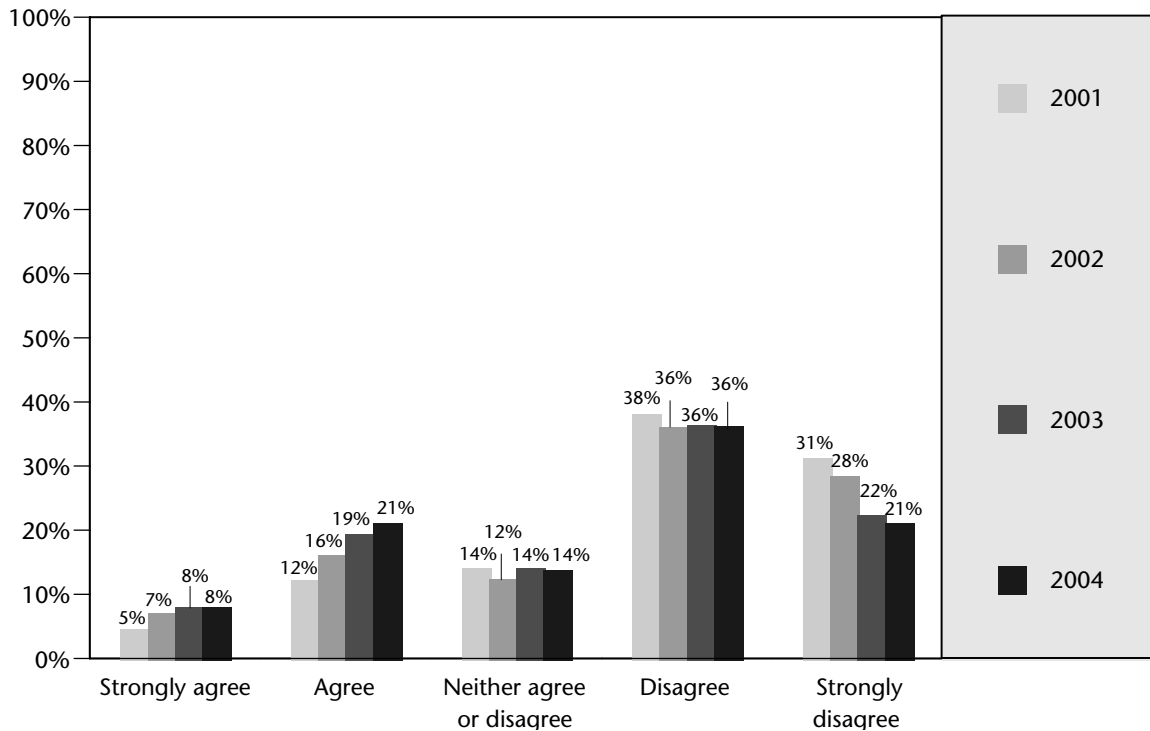
Source:
Community Survey, Indiana Consolidated
Plan, 2001-2004.

Type of Organization	2004	2003	2002	2001
Affordable housing provider	9%	12%	13%	12%
Advocacy/education	7%	7%	6%	5%
Citizen	3%	2%	2%	-
Day care (adult and child)	1%	2%	2%	-
Economic or community development	8%	10%	9%	8%
Employment/training provider	3%	1%	2%	-
Financial institutional/lender	4%	3%	0%	1%
Group home	1%	2%	2%	-
Health care provider	4%	3%	2%	-
Homeless shelter	3%	3%	4%	-
Legal assistance	1%	0%	0%	1%
Local government	28%	26%	29%	46%
Property manager	2%	3%	2%	1%
Senior center	0%	0%	2%	-
Senior housing provider	2%	2%	3%	-
Social service provider	12%	10%	10%	-
Other	12%	14%	12%	26%
Total	100%	100%	100%	100%

¹ This rate accounts for surveys that were returned due to bad addresses.

Housing inventory and quality. Respondents were asked a number of questions about the supply and condition of the housing in their communities. As shown in Exhibit III-15, 57 percent of respondents felt that there was not enough housing in their communities to meet their needs. This rate was lower than in the previous three years from 2001 through 2003 at 69, 64, and 58 percent, respectively. This trend may be indicative of a decrease in housing market demand due to weaker economic conditions or an improvement in overall housing supply.

Exhibit III-15.
There is Enough Housing in This Community to Meet Demand



Source: Community Survey, Indiana Consolidated Plan, 2001-2004.

Sixty-two percent of the survey respondents disagreed with the statement in the survey “There is enough *affordable* single family and rental housing in this community.” In 2002 and 2003, there was a slightly higher disagreement rate of 71 and 68 percent, respectively. Only 21 percent of the 2004 respondents felt that there was adequate affordable housing, which is an increase of 2 percentage points from 2003.

Respondents were asked if the housing stock in their communities was in good condition. About half disagreed that the housing stock was in good condition, one-fourth agreed, and the final one-fourth neither agreed nor disagreed. Compared to the responses in 2001 through 2003, there was a slightly higher agreement rate of 4 percentage points on average.

Respondents were also asked to rate the quality of their community’s single family and multifamily housing stock. Exhibit III-16 shows how respondents rated the condition of the housing stock in their communities in 2002, 2003, and 2004.

Exhibit III-16.
Quality of Single Family
and Multifamily Housing

Source:
Community Survey, Indiana Consolidated
Plan, 2002-2004.

Quality	Single Family			Multifamily		
	2004	2003	2002	2004	2003	2002
Very Good	5%	4%	5%	4%	4%	3%
Good	21%	24%	20%	21%	18%	19%
Average	46%	46%	48%	37%	40%	37%
Poor	24%	21%	21%	29%	28%	31%
Very Poor	4%	5%	6%	9%	10%	10%
Total	100%	100%	100%	100%	100%	100%

The assessment of housing condition was relatively similar in 2002 through 2004. For all years, respondents ranked the quality of multifamily housing stock far below that of the single-family housing stock in their communities. Thirty-eight percent of respondents in 2003 and 2004 said the multifamily housing stock in their communities was in poor to very poor condition (compared with 26 and 27 percent, respectively, of single family housing stock). The percentage of respondents ranking multifamily housing stock in poor condition improved from 2002, where 41 percent said the stock was in poor or very poor condition.

Exhibits III-17 and III-18 show responses to questions pertaining to the need for new construction and rehabilitation of existing structures. A higher percentage, 67 percent of respondents, agreed with the need to focus on improving housing through rehabilitation rather than new construction.

Exhibit III-17.
"My Community Needs to Add
Housing Through New
Construction"

Source:
Community Survey, Indiana Consolidated Plan, 2002-
2004.

New Construction	2004	2003	2002
Strongly agree	14%	18%	19%
Agree	33%	31%	33%
Neither agree or disagree	25%	27%	27%
Disagree	21%	17%	12%
Strongly disagree	7%	7%	9%
Total	100%	100%	100%

Exhibit III-18.
"My Community Needs to Focus
on Improving Housing Through
Rehabilitation of Existing
Structures"

Source:
Community Survey, Indiana Consolidated Plan, 2002-
2004.

Rehabilitation	2004	2003	2002
Strongly agree	26%	27%	26%
Agree	41%	39%	39%
Neither agree or disagree	17%	21%	22%
Disagree	11%	7%	9%
Strongly disagree	5%	6%	4%
Total	100%	100%	99%

When asked about homeowners' and renters' abilities to make minor repairs, most respondents felt that most homeowners could make needed repairs, but renters find it difficult to get landlords to make needed repairs. In 2002, 2003, and 2004, approximately half of respondents *disagreed* with the statement "Renters in this community can get landlords to make needed repairs." The survey results suggest that the respondents' concerns about housing conditions are mostly related to rental properties.

Overall, there is a slight declining trend in the need for new housing through construction and a slight increasing trend in the need for rehabilitation of existing structures. This indicates a shift from previous years where the primary need was to add to the housing stock.

Housing affordability. Survey respondents were asked to list the housing types that are needed most in their communities.

Only 11 percent of the surveys indicated that multifamily apartments are needed in their area. Of the people who answered, all said that there is a need for rents less than \$650 a month and 62 percent expressed a need for rents between \$300 and \$500 a month.

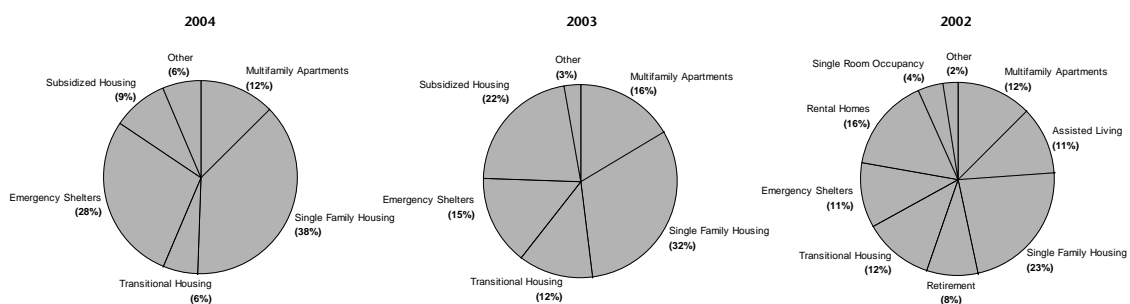
Twenty-four percent of the surveys indicated that purchasing single family housing was a need in their area. Fifty-four percent of the respondents said the most needed purchase price for a single family home is between \$50,000 to \$100,000. Thirteen percent of the surveys indicated that single family rental housing was needed in their area. Forty-six percent of the respondents expressed a need for rents between \$300 and \$500 a month for single family homes.

Only 5 percent of the surveys reported that transitional housing is most needed in their community. Forty-seven percent indicated that rents less than \$300 were most in demand, followed by 42 percent between \$300 and \$500. All responses indicated a need for rents of \$500 or less a month.

Respondents who answered "other" for the most needed housing types, by in large, mentioned the need for elderly housing and housing for the disabled community.

The 2002 survey also asked about most needed housing types, although the questions were slightly different (respondents were given more options for housing types, but were not asked to estimate prices or rents). Exhibit III-19 compares the answers to the 2002, 2003, and 2004 questions.

Exhibit III-19.
Most Needed Housing Types, 2002, 2003, and 2004

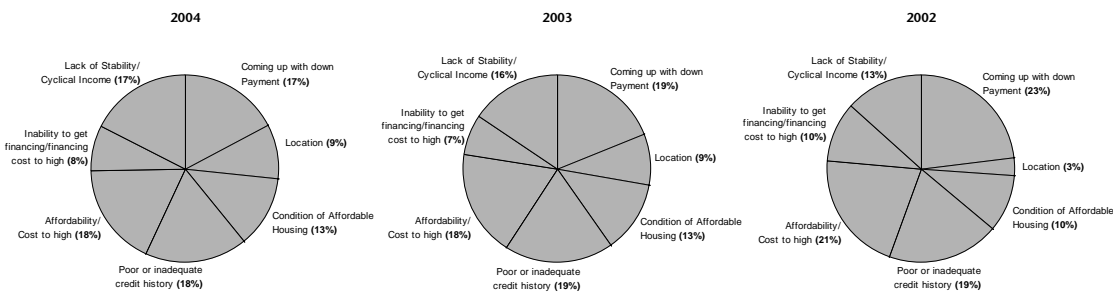


Source: Community Survey, Indiana Consolidated Plan, 2002-2004.

In both 2003 and 2004, the majority of respondents said that single family housing was needed most at 32 percent and 38 percent, respectively. Respondents in 2003 rated subsidized housing as the next most needed housing type at 22 percent. However, in 2004, this rate fell to only 9 percent. As a result, the respondents in 2004 indicated that emergency shelters were the second most needed type of housing at 28 percent.

When asked about the greatest impediment to owning a home, respondents in 2004 identified the challenges of coming up with a down payment, poor credit history and housing prices — the same top reasons as identified in 2002 and 2003. Exhibit III-20 shows the impediments to homeownership identified by survey respondents in all three years. The answers were almost identical in 2003 and 2004.

Exhibit III-20.
Greatest Impediments to Homeownership



Source: Community Survey, Indiana Consolidated Plan, 2002-2004.

Special Needs Housing. Respondents were asked about the housing needs in their communities for populations with special needs, including persons experiencing homelessness, individuals with physical and developmental disabilities, individuals with mental illness, the elderly, individuals living with HIV/AIDS and seasonal farm workers. Exhibit III-21 shows the percentage of respondents in 2002 through 2004 who believe that the housing needs of these special needs populations are not being met in their communities.

Exhibit III-21.
Percent of Respondents Disagreeing that the Needs of Special Populations Are Being Adequately Met

Source:
Community Survey, Indiana
Consolidated Plan, 2002-2004.

Special Needs Category	Percent Disagreeing		
	2004	2003	2002
Homeless	55%	57%	57%
Mentally Ill	55%	54%	51%
Physical Disability	47%	44%	50%
Development Disability	45%	43%	55%
Elderly	40%	39%	43%
HIV/AIDS	37%	38%	38%
Seasonal Farm Workers	30%	31%	37%

As shown in Exhibit III-21, the survey results are fairly similar. In all three years, the number one concern was the needs of the homeless population. However, in 2004, the percent of respondents disagreeing that persons with mental illnesses needs are being met equaled the disagreement rate for the homeless population at 55 percent. With the exception of this population, the disagreement rate for all other special needs population was lower in 2004 than in 2002. This may indicate improvement in meeting needs.

Respondents were also asked how the needs of special populations could be better met. Exhibit III-22 categorizes their responses.

Exhibit III-22.
How can housing and related needs of special needs groups be better met?

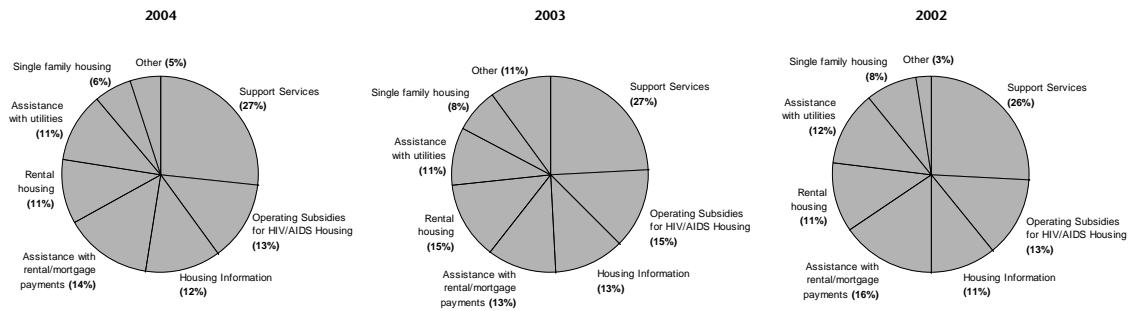
Source: Community Survey, Indiana Consolidated Plan, 2004.

	Number of Responses	Percent of Total
Accessibility	26	14%
Administrative/Funding/Miscellaneous	52	29%
Affordability	18	10%
Congregate Housing	31	17%
Emergency and Transitional Shelters/Homeless	10	5%
Housing Stock	24	13%
Housing Subsidy	21	12%
Total	182	100%

The majority of responses, 29 percent, fell under the Administrative/Funding/Miscellaneous category. Congregate housing followed with 31 responses (12 percent). A significant number of the congregate housing responses revolved around the elderly/senior population and the population with disabilities. Issues of accessibility were third with responses ranging from accessibility of public places to the accessibility of the housing stock. Comments regarding the housing stock typically mentioned condition and rehabilitation needs.

When asked what is most needed in their communities to meet the needs of persons with HIV/AIDS, respondents cited supportive services, assistance with rental/mortgage payments, and operating subsidies for HIV/AIDS housing as the top three needs. Supportive services has maintained its need in the community over the three year period, at 26 percent in 2002 and 27 percent for 2003 and 2004. In 2003, respondents cited operating subsidies for HIV/AIDS housing and development of rental housing second and third. However, in 2004, rental housing responses were only 11 percent as compared to 15 percent in 2003. Exhibit III-23 shows the distribution of the 2002, 2003, and 2004 responses to this question.

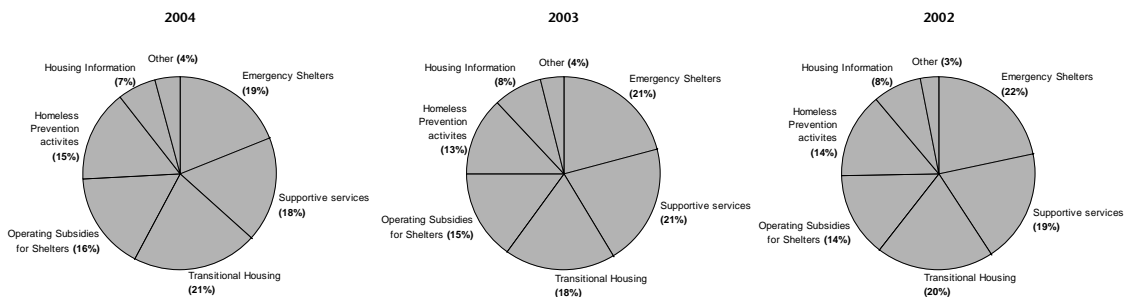
Exhibit III-23. Community Needs for Persons with HIV/AIDS



Source: Community Survey, Indiana Consolidated Plan, 2002-2004.

Respondents were also asked what is most needed in their communities to meet the needs of persons experiencing homelessness. For 2004, the top needs were transitional housing, emergency shelters, and supportive services. Compared to 2003, transitional housing jumped from the third most needed to the primary concern, but only by a margin of 2 percentage points. Exhibit III-24 shows the distribution of the 2002, 2003, and 2004 responses to this question.

Exhibit III-24. Community Needs for Persons Experiencing Homelessness

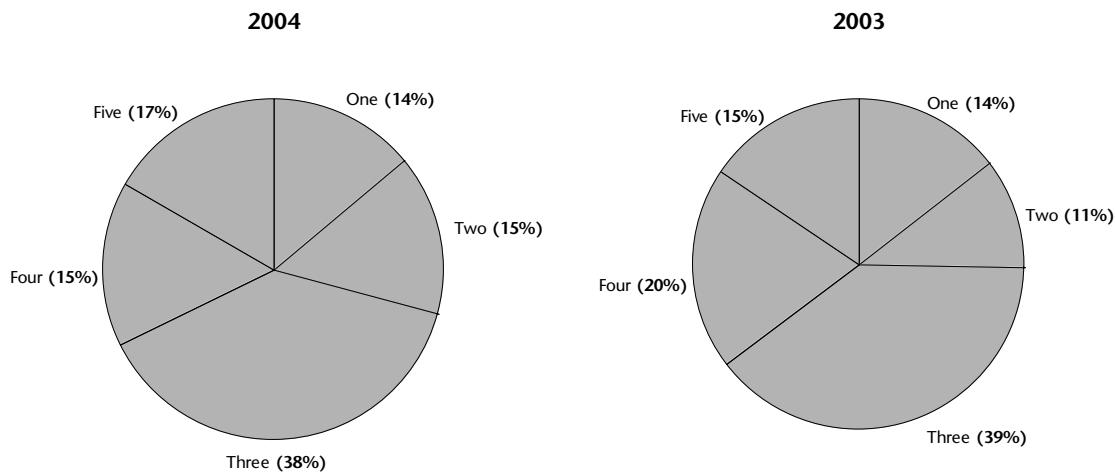


Source: Community Survey, Indiana Consolidated Plan, 2002-2004.

Lead Based Paint Hazards

As in 2003, the 2004 survey included several questions to determine how much of a problem lead based paint hazards are in communities. Survey respondents were provided with a scale of one to five to rank the increase in housing costs because of lead abatement, with one being the least and five being the most. Most survey respondents said that lead abatement procedures increase the cost of providing affordable housing a moderate to high amount. The distribution of responses is shown in Exhibit III-25.

Exhibit III-25.
How Much Do Lead Abatement Procedures Increase Cost of Housing?



Note: One = low, Five = high.
Source: Community Survey, Indiana Consolidated Plan, 2003-2004.

In addition, 72 percent of survey respondents said there were not adequate funds in their communities to address lead based paint hazards in housing, compared to 70 percent in 2003 and 77 percent in 2002. Over half of respondents agreed that there was a need for funds to address lead based paint in housing with poisoned children. Sixty-five percent of those surveyed said there was a need for a partnership between housing and health care providers to address lead based paint hazards — which is up from 60 percent in 2003 but down from 77 percent in 2002. Over the three-year study period, the survey questions do not indicate a worsening or improving trend for lead based paint hazards. However, because the percentages are high throughout this study period, there is a need for greater funding and attention directed at dealing with lead based paint hazards

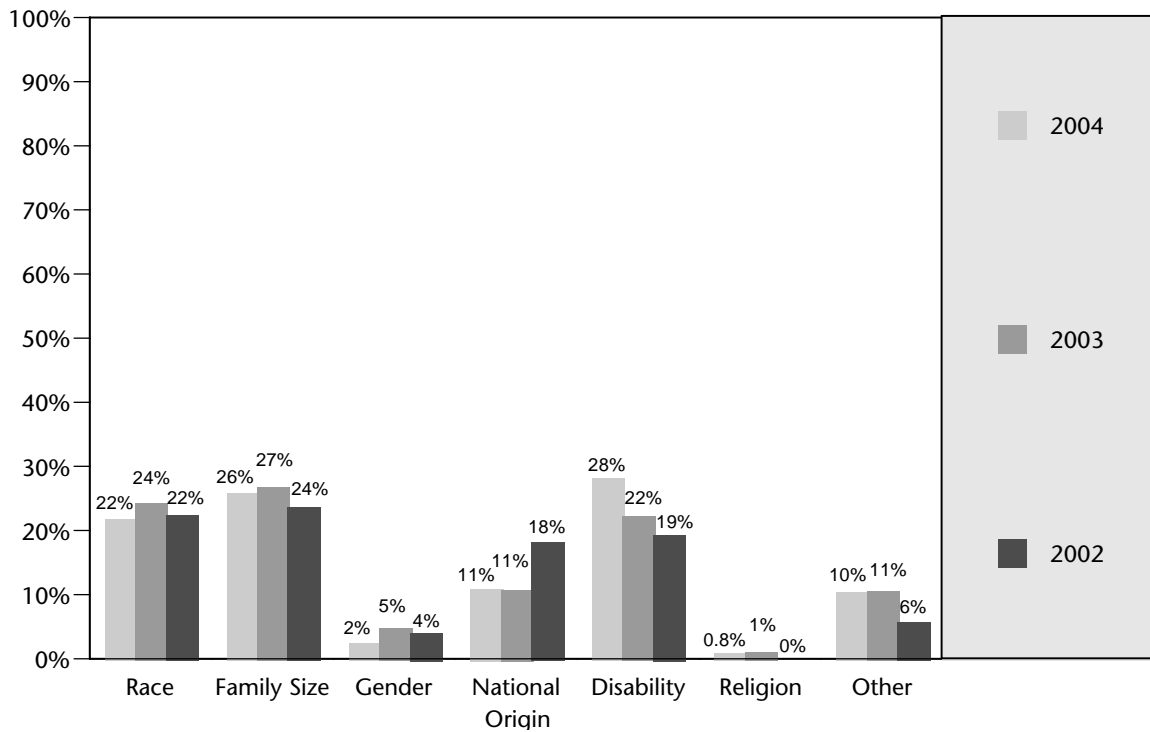
Fair Housing

The fair housing questions included on the survey asked respondents about the prevalence of discrimination in their communities and the existing barriers to fair housing.

Compared to 2002, 2003, and 2004, a larger percentage of respondents in 2004 identified discrimination based on disabilities as occurring in their communities. Discrimination based on disability became the number one concern in 2004 at 28 percent, up from 22 percent in 2003. All other categories either remained at the same rate or decreased minimally. Discrimination based on family size and race/ethnicity followed as the second and third most popular response for 2004.

Exhibit III-26 compares the survey results for this question from 2002 through 2004.

Exhibit III-26.
Comparison of Types of Housing Discrimination, 2002, 2003 and 2004



Note: Zero percent indicates that the category was not given as an option.

Source: Community Surveys, Indiana Consolidated Plan, 2001-2004.

In addition, respondents were asked whether certain groups in the community could obtain desirable housing. Forty-two percent of the 2004 respondents felt that persons with disabilities could not obtain desirable housing. The disagreement rates were similar for the other groups at 39 percent for large families, 25 percent for the elderly, and 28 percent for minorities. In 2003, the survey combined all the groups into one question. Twenty-six percent of respondents felt that minorities, large families, the elderly, and persons with disabilities could not obtain the housing they desire in their communities.

Respondents were also asked about the types of barriers to housing choice that exist in their communities. Respondents said that the cost of housing was the largest barrier to housing choice, followed by public transportation and distance to employment. Exhibit III-27 shows the perceived barriers to housing choice for 2001, 2002, 2003, and 2004. The 2004 survey added two additional barrier categories. Even with the addition of these categories, the top barriers were similar across the four years.

Exhibit III-27.
Barriers to Housing Choice

Source:
Community Survey, Indiana Consolidated
Plan, 2001-2004.

	2004	2003	2002	2001
Cost of housing	28%	37%	34%	34%
Public transportation	21%	23%	19%	24%
Housing discrimination	4%	6%	7%	7%
Lack of accessibility requirement	11%	10%	14%	14%
Distance to employment	13%	19%	19%	21%
Age restricted housing	4%	5%	7%	NA
Lack of knowledge among residents	9%	NA	NA	NA
Lack of knowledge among landlords	10%	NA	NA	NA

In addition to the above barriers, respondents were asked about the ability of people in their community to refinance their homes at competitive interest rates. Fifteen percent of respondents believed that people are *not* able to refinance their homes at competitive interest rates. This was a 27 percentage point decrease from 2003, where 42 percent of respondents disagreed with the statement. In 2002, 38 percent of respondents agreed with this statement. The significant decrease in disagreement rate in 2004 is most likely related to a rephrasing of the question. The question in the 2002 and 2003 survey specifically asked about low-income families, whereas the 2004 survey question asked about the community as a whole. The decrease may also be related to increasingly low interest rates.

The 2004 survey added a question about problematic lending activities in the community. Exhibit III-28 summarizes the findings. Respondents indicated that the primary concern was lenders charging high rates followed closely by a concern for lenders charging high transaction fees.

Exhibit III-28.
**Are the following
lending activities a
problem in your
community?**

Source: Community Survey, Indiana
Consolidated Plan, 2004.

	Percent Agreeing
Lenders charging high rates	28%
Lenders charging high transaction fees	30%
Lenders linking unnecessary products	16%
Lenders charging prepayment penalties	12%
Lenders selling sub-prime products to prime borrowers	14%
	<u>100%</u>

Respondents were also asked about the zoning ordinances and housing policies that prohibit fair housing choice. In 2004, 11 percent of respondents agreed that there are zoning or land use laws in their communities that create barriers to fair housing choice and encourage fair housing segregation. In 2002 and 2003, 10 percent of the respondents agreed with this statement.

Fifty-seven percent of respondents felt that members of their community are aware that discrimination is prohibited in housing mortgage lending and advertising, compared with 61 percent in 2003. Twenty-four percent of survey respondents, as compared to 27 percent in 2003, indicated that people in their community know whom to contact to report housing discrimination. Finally, only 23 percent of respondents agreed that the housing enforcement agency in their community has sufficient resources to handle the amount of discrimination that may occur; this compares with 22 percent in 2003.

Fair Housing Policy

In the 2004 survey, respondents were asked a number of questions specifically about their community's fair housing policies. Half of the respondents who answered this question in 2003 and 2004 indicated that their community has joined forces with another organization to promote fair housing.

Seventy-four percent of survey respondents — about the same percentage as in 2003 — said that their community has access to a civil rights commission/office. Exhibit III-29 shows which counties in the State have civil rights offices, as reported by survey respondents.

Exhibit III-29.
Access to a Civil Rights Office, by County

County	Yes	No	County	Yes	No	County	Yes	No
Allen	✓	✓	Hendricks	✓	✓	Perry		✓
Bartholomew	✓		Henry	✓	✓	Porter		✓
Benton	✓		Howard	✓		Pulaski	✓	
Blackford	✓		Huntington		✓	Putnam	✓	
Boone		✓	Jay	✓		Randolph	✓	
Carroll		✓	Jefferson	✓	✓	Ripley		✓
Cass	✓	✓	Jennings		✓	Scott		✓
Clark		✓	Johnson	✓	✓	Shelby	✓	✓
Clay	✓		Knox	✓		St. Joseph	✓	
Clinton	✓		Kosciusko	✓		Steuben	✓	
Crawford		✓	LaPorte	✓		Sullivan	✓	
Daviess	✓		Lake	✓		Tippacanoe	✓	
Dearborn	✓	✓	Lake Cnty	✓		Tipton		✓
Dekalb	✓	✓	Madison	✓		Vanderburgh	✓	
Delaware	✓		Marion	✓	✓	Vermillion	✓	✓
Dubois	✓	✓	Marshall	✓	✓	Vigo	✓	
Elkhart	✓		Martin	✓		Warren	✓	
Fayette		✓	Miami	✓	✓	Washington	✓	✓
Floyd	✓		Monroe	✓		Wayne	✓	
Fountain	✓		Montgomery	✓		Wells		✓
Fulton	✓	✓	Morgan		✓	Whitley	✓	✓
Grant	✓		Noble	✓		Whitney		✓
Greene	✓	✓	Orange		✓			
Hamilton	✓	✓	Owen	✓				
Hancock	✓		Parke	✓				

Source: Community Survey, Indiana Consolidated Plan, 2004.

Three percent of respondents indicated that there had been housing complaints filed against their organization in the past five years. Of the three respondents who explained the complaints filed, one of the claims was thrown out, one dealt with poor facilities for multi-family dwellings, and the last complaint addressed accessibility.

The survey also inquired about various fair housing policy ordinances. Sixty-eight percent of respondents said that their community has a fair housing resolution/ordinance, and 61 percent indicated they have an affirmative action plan. Sixty-nine percent of respondents said they had an equal opportunity ordinance. Seventy percent of respondents indicated that their community's resolution/ordinance had been approved by the State.

Community Development Needs

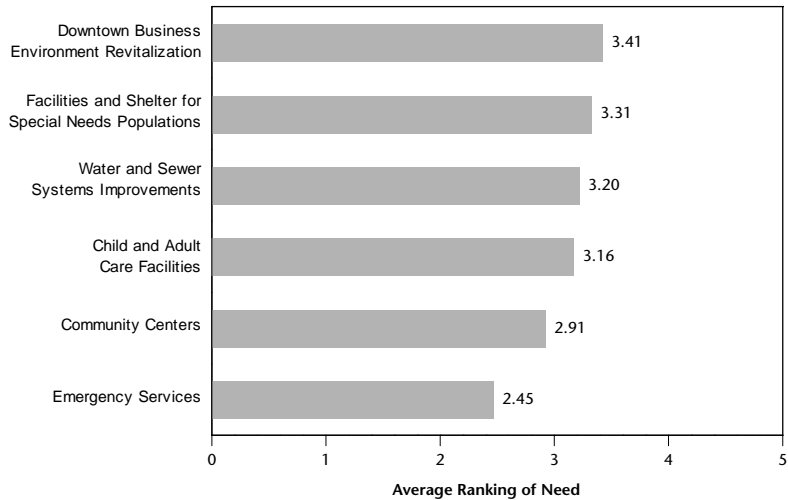
In the 2004 Community Survey, respondents were also asked about a range of community development issues in their communities, including employment conditions, the need for public infrastructure improvements, and the need for community and special needs services and facilities.

The survey asked respondents to rank the community development needs in order of how much they are needed in their areas (with 1 being the least needed and 5 being the most needed). The average levels of need of community development needs are shown in Exhibit III-30.

Exhibit III-30. Average Ranking of Community Development Needs

Note:
1 = least needed to 5 = most needed

Source:
Community Survey, Indiana Consolidated
Plan, 2004.



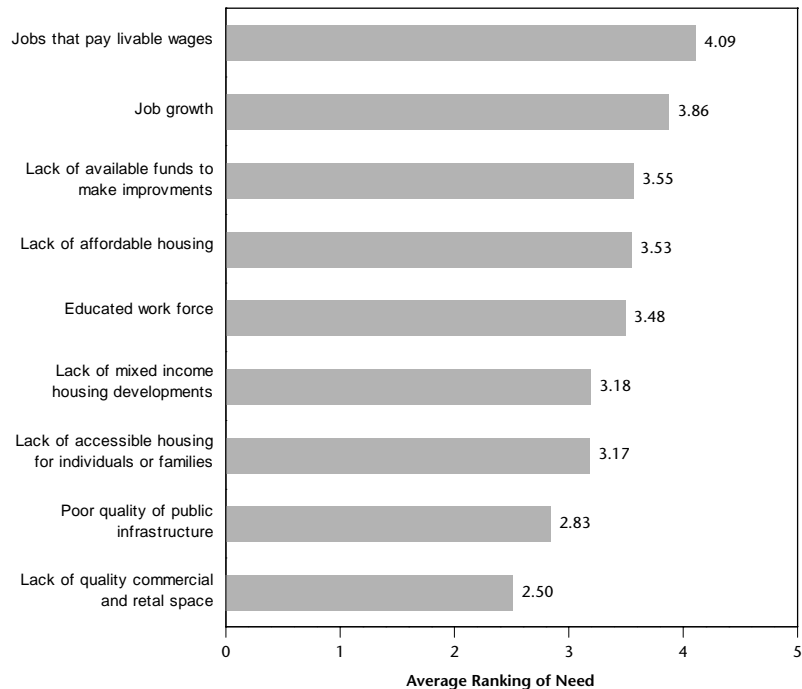
In general, respondents indicated a need for downtown business environment revitalization, facilities and shelters for special needs populations, water and sewer system improvements, and child and adult care facilities.

Respondents were also asked to rank the barriers to community and economic development their community faces on a scale of one to five, with a one being the smallest barrier and five being the biggest barrier. Exhibit III-31 on the following page shows the average ranking of barriers to community and economic development.

**Exhibit III-31.
Barriers to Community
and Economic
Development**

Note:
1 = smallest barrier and 5 = biggest barrier.

Source:
Community Survey, Indiana Consolidated
Plan, 2004.



As shown above, respondents' perceive the top barriers to development in Indiana's communities as employment related. Funding for improvements and housing issues follows closely behind as a significant barrier to community economic development. The 2003 respondents also perceived the same top two barriers, ranking livable wages at 4.02 and job growth at 3.77. The third barrier for 2003 was lack of affordable housing, but in 2004, available funds to make improvements was perceived as a larger barrier.

In the 2004 survey, 22 percent of survey respondents said that the number of jobs had increased in their communities, compared to 27 percent in 2003, 37 percent in 2002, and 60 percent in 2001. Fifty-four percent of 2004 respondents said the number of jobs in their communities had decreased, compared to 57 percent in 2003, 50 percent in 2002, and only 26 percent in 2001.

Respondents were also asked if the perception of their community has improved or declined and the reasons for any change.

In the 2001 survey, 70 percent of respondent said that the perception of their community had improved during the past five years. In contrast, just 54 percent of respondent to the 2002 survey, 51 percent of the 2003 survey respondents, and 56 percent from the 2004 survey said that perception had improved. Exhibit III-32 shows the community perception results for 2001 through 2004.

Exhibit III-32.
Community Perception,
2001-2004

Source:
Community Survey, Indiana Consolidated
Plan, 2001-2004.

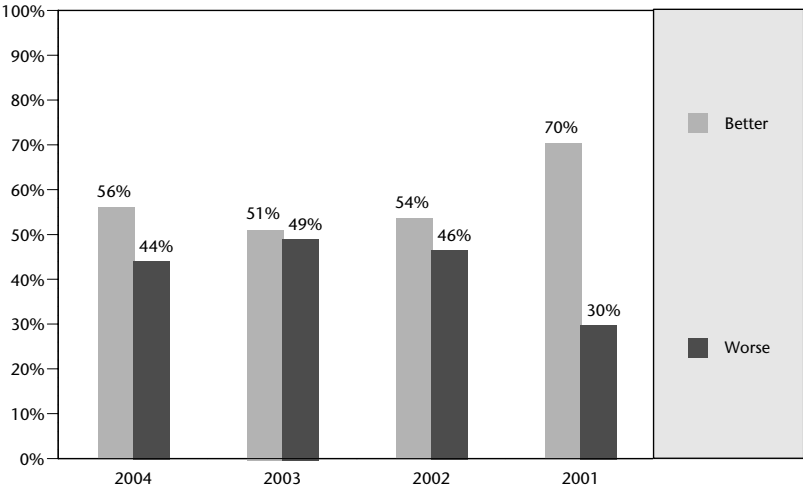


Exhibit III-33 lists the responses to the question regarding community perception.

Exhibit III-33.**Has the perception of this community gotten better or worse over the last 5 years? Why?****Better**

2 new schools built. New stores like Wal-Mart and Lowes have opened.

Affordable rental for elderly available in small towns.

Area growth results in more retail jobs.

Attractive way of life.

Because of revitalization downtown and growth in other areas.

Because we have people that want to help but don't know how.

Began as an abandoned military base. Now there are over 2500 residents and 40+ businesses.

Better by how we draw in tourism. Worse to the people that actually live in the community.

Better economic development, quality development and cooperation between local government and developers.

Better in some areas.

Casino has helped this small community.

Clean city.

Communities are working together-business and government. NFP agencies recognized for their role in creating jobs and partners in community development.

Community growing-population growing-commercial business growing.

Community sees the need to make changes.

Downtown area revitalized, gentrified inner city neighborhoods.

Downtown development.

Downtown has improved-Chrysler expanded.

Downtown upgrades, downtown housing, growth in suburban markets.

Due to creation of new jobs.

Due to more active involvement of organizations within the community.

Due to revitalization efforts.

Due to some renovated buildings and business districts seem improved.

Due to tourism.

Economic development has brought new business & jobs. Lots of new housing has started.

Good public relations and talented people.

Good social services, good charitable community, good leadership.

Good tie-in's with other larger communities.

Growing diversity in population.

Growth of large industries and major infrastructure improvements.

Growth.

High profile community - lots of professional and good schools.

I think Mayor Hudnut was able to bring new business and a higher standard to Indianapolis.

Improved - Indiana Chamber of Commerce Community of the Year 2003.

Improved due to economic development projects; business attractions and retention efforts.

Improved infrastructure, increased job opportunities, improved parks and recreation areas.

Improved wheelchair street crossings.

Improvements slow but sure.

Improvements to downtown, including major park downtown. Businesses opening downtown. Volunteers working on downtown.

Exhibit III-33 (continued).

Has the perception of this community gotten better or worse over the last 5 years? Why?

Better (continued)

Increased due to annexation.

Increased tourism-legalized gambling.

Industrial and residential housing development. School system. New downtown underpass.

Industry has expanded. Need infrastructure (roads) to develop industrial area.

Infrastructure improvements.

Infrastructure needs are better met, public parks are in better shape, downtown revitalization, cooperation between cities, county and Purdue.

Investment in downtown, increased of numbers of people visiting downtown, improved streets, partnerships with university.

It must be good. From 1990-2000 we grew 47% in population.

Jasper continues to be a leader in our community with job opportunities, new businesses, housing developments, annexations, infrastructure, community services and involvement.

Less impact or perception of student impact on some neighborhoods.

Manufacturing jobs with good income are disappearing.

Many residents are satisfied with the status quo. There is resistance to change.

More awareness-people caring.

More diversified.

More industry.

More jobs are attracting more persons to Boone County. However, it creates a need for more median income housing & schools and the possibility of more crime.

More positive. This is a dynamic growing city.

More progressive thinking elected officials.

More stability than previously.

Mostly cosmetic. Improved downtown residential development.

New buildings and businesses.

New businesses, job opportunities, housing.

New commercial development, upscale housing, improved infrastructure.

New retail merchants, new sewer system, water upgrade, some new sidewalks.

New transportation system, local learning center.

New water this year.

Niche retailers.

Orthopedic industry.

Overall perception has improved slightly. Change is due to progress made on developing a city plan.

People have been made aware of problems and seem to have started to step up when needed.

People working at it.

Planning for growth.

Population has grown.

Positive spin due to uprising in economy; more companies hiring.

Retail growth.

Revitalization programs for downtown and tax credit incentives are in progress.

Revitalized downtown and many renovated homes.

Exhibit III-33 (continued).

Has the perception of this community gotten better or worse over the last 5 years? Why?

Better (continued)

Seems to be turning around-political change in leadership.

Several key developments are in motion to help the community - new community center and programs, and the redevelopment of a public housing site called Brokenburr.

Since riverboat gaming has come to southeastern Indiana, more people are now aware of our beauty and what we have to offer.

Slowly getting better.

Some new industries, some local expansions, downtown revitalization effort underway, new waste water treatment plant being built, etc.

Some progress with steel plant but has not brought other subsidiary business to area.

Some work has started but more needs to be done in downtown revitalization.

Sports teams.

Steady growth.

Strong leadership, innovative solutions, collaboration.

The downtown area has gone through a major revitalization through funding by private individuals. Has brought many people into our town.

The perception of visitors is good.

There have been some improvements in the downtown area.

There is a town board that cares.

Through gentrification of downtown revitalization.

Township government has kept costs down - emergency services have improved but budget has not increased.

Transportation for elderly and disabled.

We are a growing residential area with good quality of life for the most part.

We continue as a city to be innovative in attracting new businesses.

We got a gas station after 6 years of not having one. 2 restaurants re-opened.

We've made significant investment in our public parks, and we've initiated the enforcement of an unsafe building ordinance that has resulted in the demolition of about a dozen dilapidated homes.

With future growth being planned.

Worse

2 factories have closed.

Available jobs pay less.

Because of loss in manufacturing jobs going overseas or down south.

Changing demographics. Attempting to force clean up/fix up homes' exterior-when they have not enforced interior housing codes. Only go after landlords-not private owners on health-safety issues.

Closing factories or places of employment.

Dairy bringing sewage and smell.

Decrease in jobs and low pay for jobs. Education. Industry.

Down economy and 2 major losses of businesses (Arvin HQ and Cummins).

Downtown business area, several vacant businesses.

Downtown business district is all but gone. Central city neighborhoods have significant disinvestments.

Exhibit III-33 (continued).

Has the perception of this community gotten better or worse over the last 5 years? Why?

Worse (continued)

Due to factory losing and lack of jobs to provide living.

Due to many businesses closing in downtown area.

Due to slow progress on improvements.

Economy.

Economy and job availability.

Economy and job loss here and in the state.

Employment.

Factories closed. People can't afford housing or moving out of county.

Factories have moved out. Lost jobs-more people on welfare.

Few opportunities for minorities or persons with low to moderate incomes.

High water/sewage bills. High taxes.

Increased crime, substance abuse problems related to changing demographics.

Inner city has nothing bringing in money. Just tax supported businesses. Uproar of personal property tax.

Job growth has declined, factories are closing.

Job loss.

Job loss & affordable housing.

Job opportunities.

Job/employer loss.

Jobs lost, lost tax base, school system takes majority of tax base. No business community/economic development.

Lack of growth.

Lack of jobs.

Lack of jobs.

Lack of jobs. Companies moving out of the country.

Lack of livable wage jobs require many college graduates to leave the area - rental property is not only very expensive, but also hard to find.

Lack of living wage jobs.

Lack of pride- the last industry that came was AK Steel, very few local people were hired.

Lack of several key issues - housing, workforce, etc.

Lack of stated shared vision on where headed and how to get there.

Little improvement in jobs.

Local bank closed; no new business attracted; many older homes deteriorating- joblessness keeping many financially unable to upkeep; proposed elementary school closing threatens future.

Local government has made strides toward recovery. Some business partnerships have begun.

Loss of 2 major employers-state hospital and Regal Rugs.

Loss of automobile manufacturing.

Loss of employment as a result of plant closures.

Loss of industry and many jobs, especially in higher paying manufacturing.

Loss of jobs.

Loss of jobs in manufacturing sector. Inability for leaders to cooperate across political boundaries. Education system not meeting needs of all students.

Exhibit III-33 (continued).

Has the perception of this community gotten better or worse over the last 5 years? Why?

Worse (continued)

Loss of jobs- no growth.

Loss of manufacturing base and loss of young adults.

Lost major employer.

Low "ISTEP" scores and more run down housing.

Major employer went bankrupt and purchaser moved business to Indianapolis. The big TIF district outlet mall is fading, possibly because the ownership changes may be for tax write-offs rather than to build a profitable business.

Major employers are leaving the area. No growth in any industry.

Many jobs have been lost in the community due to plant closings and downsizing.

Mills continuing to downsize.

Most do not see the hidden underclass. They focus on a viable downtown and there own well-being and say things are going well.

Need curb & sidewalk improvements.

No jobs.

No jobs and large number of businesses gone; tremendous increase in property taxes.

No jobs- no main highways go through town.

No small businesses coming to town-lost 2 small businesses.

Over the years we have gone from rural to urban without much planning for the growth.

People feel little pride in community.

Police force has been in a state of large turnover of officers. Pay, old mayor relations with department.

Poor economy-loss of businesses.

Racism- schools (over which community has no control)- perception of crime- lack of increased value in real estate (excluding current assessment problems, real estate in this community barely holds it's value so no impetus to buy, improve).

Recession-low wages.

Reluctant/resistance to change, continued "brain drain" (college grads leave area due to lack of opportunity and/or depressed wages).

Rule changes that make it easier for people in subsidized housing to be evicted than the inability to access other housing due to prior eviction-often w/o good cause-credit problems, etc.

Rural area that hasn't seen much change.

Seeing jobs leave and only replaced with lower paying jobs.

Several large factories have closed-so many unemployed.

Significant number of closures-business-high unemployment. Better-university growth, cultural community activities.

Stagnation and lack of city officials to work with organizations. Especially not-for-profit in the housing counseling range. To provide adequate funding to do their jobs.

Substandard school. Environmental and aesthetic problems surrounding the mill.

The community is based on an industrial and manufacturing economy. Those jobs have decreased and been replaced primarily by retail jobs at a lower pay scale.

The gains of the 90's in income and housing have stalled-putting extreme burden on low and moderate income households.

Exhibit III-33 (continued).

Has the perception of this community gotten better or worse over the last 5 years? Why?

Worse (continued)

The need for local collaborative efforts for the under education has decreased in the past year.

There is the perception that South Bend is unsafe due to violent crime.

This area leads the state in under employment. Losing jobs, especially jobs that will support the family.

This perception is promoted by the media. Plant closing with loss of jobs (10-100) makes headlines. New business with 3 new employees does not. Overall in view of economy we are not doing that bad.

Those with no transportation shopping is out of reach, jobs are poor, public safety is poor in some areas, etc.

Two major employers shut down.

Unemployment is still low but underemployment is extreme. Lost the middle management and middle income strata in the community.

Unresolved problems regarding the vx nerve agent neutralization at the Newport Chemical Depot near Newport, IN.

Vacancies in downtown area- infrastructure needs- sewers, sidewalks. Youth center needed.

Vacant downtown, loss of jobs.

We are a rural area and people want to seem to move out of the city.

We have had community meeting regarding these issues- no resolution.

We seem to be stuck with a negative or zero growth rate-large emigration to the county-need consolidated government.

We seem to take 3 steps forward and 4 steps back-with announcements of plant closings.

We've changed from manufacturing to service. Loss of jobs; low wages; schools do not have a strong reputation.

Workers making less.

Worse in dealing with people that are HIV positive or transgendered.

Worse inside south bend.

Same

Always been good.

Continues to stay same, small town and lack of growth.

Lack of concern.

Our community has always been perceived as progressive, involved, and well to do. The reality is that 1/3 of the population. Could be classified as low to moderate income. Many fall through the cracks.

People have grown to accept the community as it is.

Slow changes.

Stable.

Static.

Valparaiso and all of Porter County have very good reputations, and that hasn't changed.

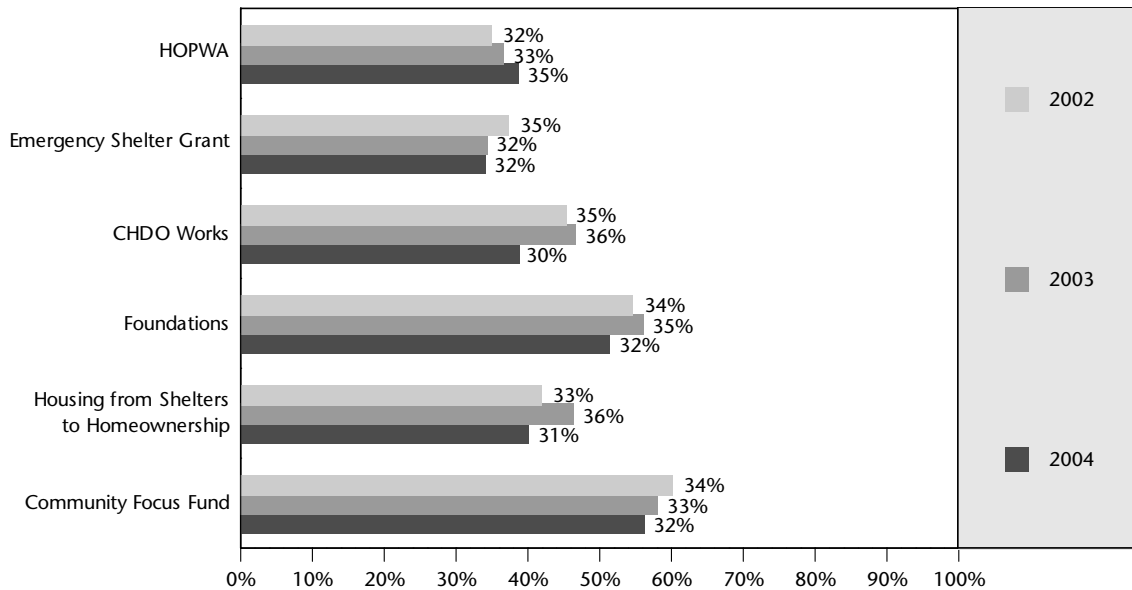
We are a recreation area. Our perception is about the same as 5 years ago.

We are small towns and counties. Mostly farm oriented.

HUD Grant Programs

The final survey questions solicited information about awareness and use of the State's HUD grant programs, administered by the Indiana Department of Commerce, the Indiana Housing Finance Authority, and the Family Social Services Administration. Exhibit III-34 shows community awareness of survey respondents for six programs funded by CDBG, HOME, HOPWA and ESG funds.

Exhibit III-34.
Awareness of Federal Programs



Source: Community Survey, Indiana Consolidated Plan, 2002-2004.

Compared to 2003, respondents had more awareness of HOPWA, the same awareness of the Emergency Shelter Grant, slightly less awareness of the Community Focus Fund program, and less awareness of the Housing from Shelters to Homeownership, Foundations, and CHDO Works programs.

SECTION IV.

Housing Market Analysis

SECTION IV.

Housing Market Analysis

This section addresses the requirements of Sections 91.305 and 91.310 of the State Government contents of Consolidated Plan regulations. In contrast to the Housing & Community Development Needs section (Section III), which contains a qualitative assessment of housing and community development conditions, this section is quantitative in nature. Sections III and IV should be read together for a complete picture of housing and community development needs in the State.

To better understand the demand for rental assistance, a mail survey of Public Housing Authorities (PHAs) in non-entitlement areas in the State was conducted as part of the Consolidated Plan process. The survey asked about Section 8 Housing Choice (HC) voucher usage by individual housing authorities, and was administered between January and February 2004. Forty-three surveys were mailed and 29 responses were received, a 67.4 percent response rate.

Methodology

This analysis of housing market conditions includes data from the 2000 Census, data from the American Community Survey's (ACS) Summary Tables and Public Use Microdata (PUMS). Specifically, it has new data from the 2002 ACS that was released since the last update of the Consolidated Plan. The Summary Tables and PUMS data sets provide the data communities need every year instead of once in ten years. The data are from on-going surveys that will ultimately replace the long form survey used in prior Censuses.

The ACS will provide estimates of demographic, housing, social, and economic characteristics every year for all states, as well as for all cities, counties, metropolitan areas, and population groups of 65,000 people or more. For smaller areas, it will take three to five years to accumulate a sufficient sample to produce data for areas as small as census tracts. Data for 2002 are available for the nation, most areas with a population of 250,000 or more, and selected areas of 65,000 or more.

The ACS uses three modes of data collection - mail, telephone and personal visit – and is given to a sample of the population during a three month period. The profile universe is currently limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters. The group quarters population will be included starting in 2005 when the ACS begins full implementation. Data are based on a sample and are subject to sampling variability.

PUMS data from the Census 2000 Supplementary Survey and 2001 Supplementary Survey show the full range of responses made on individual surveys – e.g., how one household or member answered questions on occupation, place of work, and so forth. The files contain records for a sample of all housing units, with information on the characteristics of each unit and the people in it. PUMS data allow a more detailed analysis of the Census survey data than is available from the ACS Summary Tables and 2000 Census tables.

Housing Types

There were approximately 2.6 million housing units in the State in 2002, according to the U.S. Census Bureau's ACS Summary Tables. This was an increase of approximately 83,000 housing units (3.3 percent) from 2000. Approximately 64 percent of these units were owner-occupied, 25 percent were renter occupied and 10 percent were vacant. Of the 2.3 million units that were occupied, 72 percent were owner-occupied; 28 percent were renter occupied.

According to the Census Bureau's annual survey, the State's homeownership rate in 2002 was 71.8 percent – much higher than the national homeownership rate of 66.4 percent. Indiana was one of nine States with homeownership rates of 71.8 percent or higher in 2002.

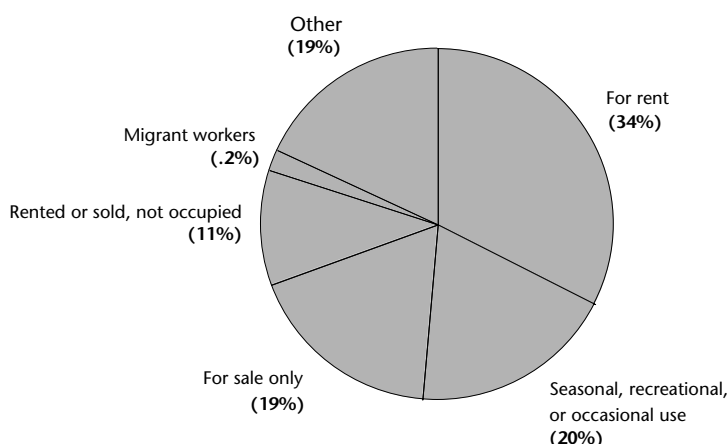
Vacant units. The 2002 Statewide homeownership vacancy rate was estimated by the Census Bureau's annual survey to be 1.2 percent. The 2002 rental vacancy rate was estimated at 11.2 percent, which is higher than the rate in 2000 and 2001, and well above the 7.5 percent average rate over the previous 15 years.

In 2000, over half of all vacant units in the State (62 percent) consisted of owner or renter units that were currently not occupied; most of these units were for sale or rent. Another 20 percent consisted of seasonal units, while 19 percent of units were reported as "other vacant." Just 304 units were reported as designated for seasonal workers and vacant at the time the Census was taken. Other vacant units included caretaker housing, units owners who choose to keep vacant for individual reasons and other units that did not fit into the other categories.

Exhibit IV-1 shows the vacant units in the State by type.

Exhibit IV-1. Vacant Units by Type in Indiana, 2000

Source:
U.S. Bureau of the Census, 2000.

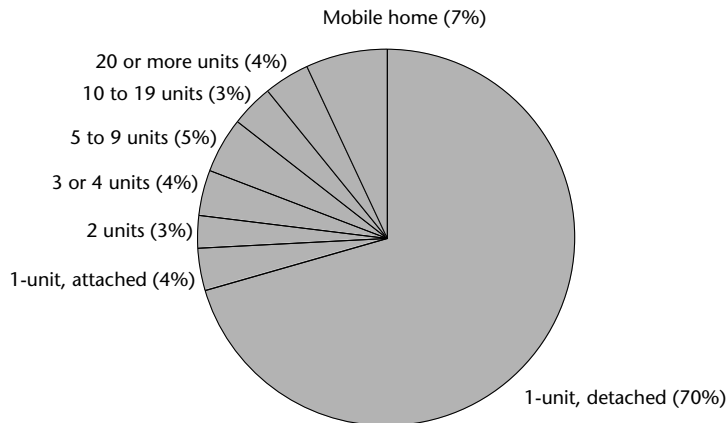


Composition of housing stock. Data from the 2002 ACS form indicate that most housing in Indiana (70 percent of units) was made up of single family, detached homes. Over 77 percent of units were in structures with two or fewer units, with only 16 percent in structures with 3 units or more and 7 percent of units defined as mobile homes. Exhibit IV-2 presents the composition of housing units in the State.

Exhibit IV-2.
Distribution of Housing
Units by Size/Type in
Indiana, 2002

Note: Due to the small number of units (2,684), boats, RVs and vans were excluded from this chart.

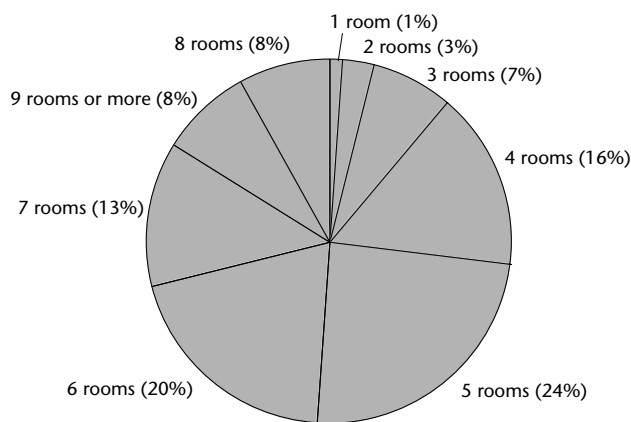
Source:
 U.S. Census Bureau, American Community Survey, 2002.



Housing units in Indiana tend to have at least four rooms, with 73 percent reported as having four to seven rooms. The Census Bureau reported a median of 5.4 rooms per housing unit in the State. Exhibit IV-3 presents the distribution of housing units in the State by number of rooms.

Exhibit IV-3.
Distribution of Housing
Units by Number of
Rooms in Indiana, 2002

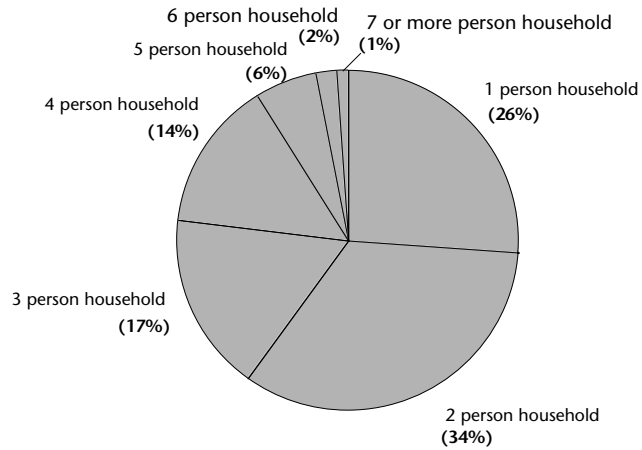
Source:
 U.S. Census Bureau, American Community Survey, 2002.



Composition of households. Data from the 2000 Census show the majority of housing units in the State are occupied by two-person households (34 percent), followed by one-person households (26 percent). Exhibit IV-4 shows the distribution of housing units by household size.

**Exhibit IV-4.
Households in Occupied
Units, 2000**

Source:
U.S. Bureau of the Census, 2000.



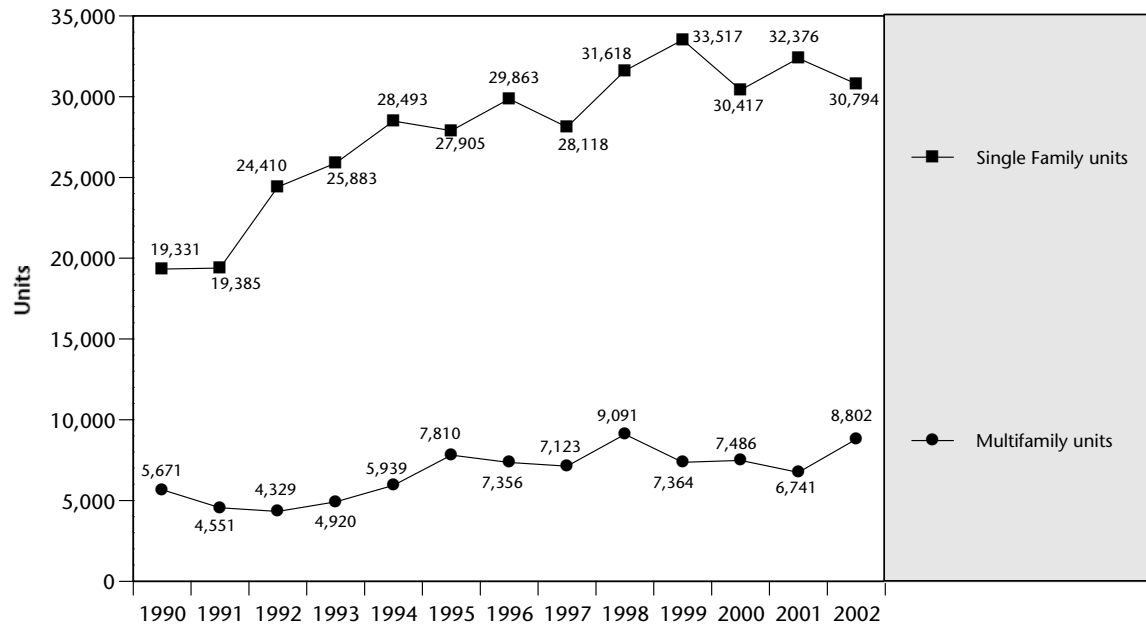
According to the ACS, the average household size in Indiana in 2002 was 2.55 persons per household.

Housing Supply

Construction activity. During 2002, 39,596 building permits were issued for residential housing development in Indiana. This is about the same level as in 2001 and is close to historically high levels of the late 1990s. Seventy-eight percent of the building permits issued in 2002 was for single family construction; 22 percent was for multifamily units, most having 5 units or more.

Exhibit IV-5 on the following page shows trends in building permit activity statewide since 1990 by single and multifamily units.

Exhibit IV-5.
Building Permit Trends by Single and Multi Family Units, 1990-2002



Source: U.S. Census Bureau.

Vacancy rates. As noted previously, the Statewide homeownership vacancy rate was estimated at 1.2 percent in 2002 by the U.S. Census Bureau. The rental vacancy rate in the State was an estimated 11.7 percent in 2002 – a 1.1 percent increase from 2000, which had the highest rental vacancy rate in the past 15 years. The 2002 rental vacancy rate was well above the 7.5 percent average rate of the preceding 15 years.

Expiring use properties. A growing concern in the country and Indiana is the preservation of the supply of affordable housing for the lowest income renters. In the past, very low income renters have largely been served through federal housing subsidies, many of which are scheduled to expire in coming years. The units that were developed with federal government subsidies are referred to as “expiring use” properties.

Specifically, expiring use properties are multifamily units that were built with U.S. government subsidies, including interest rate subsidies (HUD Section 221(d)(3) and Section 236 programs), mortgage insurance programs (Section 221(d)(4)) and long-term Section 8 contracts. These programs offered developers and owners subsidies in exchange for the provision of low income housing (e.g., a cap on rents of 30 percent of tenants’ income). Many of these projects were financed with 40 year mortgages, although owners were given the opportunity to prepay their mortgages and discontinue the rent caps after 20 years. The Section 8 project-based rental assistance contracts had a 20 year term.

Many of these contracts are now expiring, and some owners are taking advantage of their ability to refinance at low interest rates and obtain market rents. Most of Indiana's affordable multifamily housing was built with Section 221 (d)(3) and Section 236 programs. Thus, a good share of Indiana's affordable rental housing could be at risk of elimination due to expiring use contracts. According to HUD's expiring use database, as of January 2004 (the latest data available), Indiana had approximately 32,500 units in expiring use properties, or approximately 5 percent of the State's total rental units.

When expiring use units convert to market properties, local public housing authorities issue Section 8 vouchers to residents of the properties that are converting to market rates. In some cases, market rents may be lower than subsidized rents, which could enable residents to stay in their current units. Vouchers may also give residents an opportunity to relocate to a neighborhood that better meets their preferences and needs. The outcomes of expiring use conversions are hard to determine because of the many variables (location, level of subsidized rents, tenant preferences) that influence tenants' situations.

Nonetheless, the loss of the affordable rental units provided by expiring use properties could put additional pressure on rental housing markets, especially in Indiana's urban counties, where most of these units are located.

In 1997, Congress passed legislation that provides solutions, such as debt restructuring, to the expiring use problem. The legislation requires that HUD outsource the restructuring work to Participating Administrative Entities (PAEs). In January 1999, the Indiana Housing Finance Authority (IHFA) was selected to be the PAE for all expiring use properties in the State. In that responsibility, IHFA is playing a direct role in finding solutions by encouraging owners to stay in the federal programs, in addition to examining other programs and creative financing tools that will help preserve these properties as affordable housing.

Additionally, in May 2000, HUD selected IHFA to serve as a contract administrator for selected project-based housing assistance payment contracts in the State. In this role, IHFA manages the contracts between HUD and the owners of affordable housing projects to ensure that the projects remain affordable, provide decent and safe housing, and are absent of housing discrimination. As of March 2004, IHFA was under contract to administer 415 properties. Within these properties there are over 28,000 units receiving Section 8 rental assistance.

Nationally, less than 10 percent of owners of expiring use have opted out. The National Alliance of HUD Tenants, working with HUD data, estimates that up to 200,000 units have been lost to conversion nationally since 1996. The percentage of owners who have opted out in Indiana has been much lower than the national percentage. Since the Section 8 preservation effort began in 2000, 46 properties representing 2,342 units have either opted out of the Section 8 program or been removed from the program due to action taken by HUD's Departmental Enforcement Center. Of these, 13 of the properties, representing 399 assisted units, were from IHFA's contract administration portfolio.

There are 46 counties with all of their expiring use units due to expire by January 2008. Exhibit IV-6 on the following page shows the percent of units with affordable provisions that are due to expire in the next five years by county along with the total number of expiring units.

Exhibit IV-6.**Percentage of Expiring Use Units That Will Expire by January 2009, by County, as of January 2004**

County	Percent of Expiring Use Units Due to Expire by January 2008, by County	Total Expiring Use Units		Percent of Expiring Use Units Due to Expire by January 2008, by County	Total Expiring Use Units
Adams	100%	223	Lake	88%	3,744
Allen	86%	1,489	Lawrence	91%	217
Bartholomew	85%	465	Madison	92%	596
Blackford	100%	142	Marion	88%	6,644
Boone	100%	194	Marshall	38%	185
Carroll	100%	10	Miami	100%	88
Cass	100%	346	Monroe	96%	461
Clark	94%	870	Montgomery	100%	241
Clinton	68%	95	Morgan	100%	420
Crawford	100%	123	Newton	100%	18
Daviess	100%	236	Noble	90%	224
Dearborn	74%	155	Orange	100%	136
Decatur	68%	203	Owen	100%	68
DeKalb	100%	72	Parke	100%	60
Delaware	87%	485	Perry	100%	93
Dubois	100%	252	Pike	74%	77
Elkhart	78%	887	Porter	96%	341
Fayette	100%	180	Posey	100%	116
Floyd	100%	293	Putnam	100%	132
Fountain	100%	20	Randolph	100%	77
Gibson	96%	291	Ripley	100%	56
Grant	89%	653	Rush	62%	78
Greene	70%	76	St Joseph	98%	1,849
Hamilton	100%	346	Scott	76%	142
Hancock	71%	104	Shelby	100%	146
Harrison	0%	50	Spencer	100%	22
Hendricks	100%	166	Steuben	92%	76
Henry	83%	214	Tippecanoe	97%	1,520
Howard	100%	436	Union	100%	50
Huntington	100%	129	Vanderburgh	100%	873
Jackson	100%	276	Vermillion	100%	248
Jasper	100%	54	Vigo	90%	528
Jay	100%	36	Wabash	100%	215
Jefferson	89%	351	Warrick	100%	120
Jennings	64%	22	Washington	100%	49
Johnson	100%	497	Wayne	86%	733
Knox	100%	293	Wells	100%	129
Kosciusko	86%	146	White	100%	62
La Porte	100%	660	Whitley	100%	30
LaGrange	100%	48			
		Total		91%	32,452

Note: Expiration dates are according to the "TRACS Current Expiration Date" as provided by HUD.

Source: U.S. Department of Housing and Urban Development and BBC Research & Consulting.

Housing Condition

Measures of housing condition are relatively scarce. However, the annual release of the ACS's Summary Tables and PUMS provide a good source of current information on housing conditions. Census long-form data was used in the previous Update, but since the long-form is done only once every 10 years, long-form information becomes out of date.

The ACS data cover the important indicators of housing quality, including plumbing facilities, type of heating fuel, age and crowding. In addition to measuring housing conditions, such variables are also good indicators of community development needs, particularly of weaknesses in public infrastructure. The Census Bureau reports most of these characteristics for occupied housing units.

Plumbing. The adequacy of indoor plumbing facilities is often used as a proxy for housing conditions. The ACS estimated there were 8,813 housing units lacking complete plumbing in 2002, or 0.4 percent of occupied units in the State, lack complete plumbing facilities. This is an improvement over 2000, when a figure of 0.5 percent was reported for inadequate plumbing, and a substantial improvement over 1990 and 1980, when 0.7 percent and 2 percent, respectively, of the State's housing units had inadequate facilities.

According to the 2000 Census, there are 10 counties where more than two percent of the total housing stock, occupied and vacant, lacks complete plumbing facilities. County level data was not available for 2002. Exhibit IV-7 shows the counties the with more than 2 percent of their housing stock without complete plumbing facilities.

**Exhibit IV-7.
Counties with More Than
2 Percent of Housing
Stock without Complete
Plumbing Facilities, 2000**

Source:
U.S. Bureau of the Census, 2000.

Geography	Percent of Housing Units
Adams County	5.5%
Switzerland County	4.6%
Crawford County	4.2%
Owen County	3.7%
Martin County	3.4%
Parke County	3.0%
Perry County	2.8%
Greene County	2.8%
Washington County	2.6%
Orange County	2.3%

Heating fuel and kitchens. According to the 2002 ACS, most occupied housing units in Indiana were heated by gas provided by a utility company (60.5 percent) or by electricity (24.0 percent), while a significant percentage uses bottled, tank or LP gas (9.9 percent). A small number of units (44,553, or 1.9 percent) report heating with wood, and another 6,165 units (0.3 percent) do not use any fuel. The lack of heating fuel for units other than seasonal units is a likely indicator of housing condition problems.

Another indicator of housing condition includes the presence of kitchen facilities. About 13,000 units Statewide (0.5 percent) of occupied units lack complete kitchen facilities in 2002.

Water and sewer. There has been a growing awareness and concern in Indiana about the number of housing units that rely on unsafe water sources. According to the Indiana State of the Environment Report for 2003, 73 percent of Indiana households get their drinking water from community public water supply systems. Wells were the source of water for 15 percent of the State's housing. This is substantially less than in 1990, when 25 percent of the State's households were served by wells. Nationally, about 84 percent of housing units are served by public or private systems; wells are the water source for about 15 percent of units nationwide.

Water quality is another important consideration for the assessment of housing conditions. The Indiana Department of Environmental Management reported in 2002 that 93.5 percent of Indiana's public water systems were in compliance with EPA *water-quality* standards for the presence of the 91 primary contaminants. Compliance with health standards has remained consistent even though new mandates or requirements have increased since 1997.

An evaluation of the 2002 Annual Compliance Report for Indiana Public Water Supply Systems as compared to 2001 showed an improvement in the compliance rates for various contaminant violations. This improvement in the compliance rate was attributed to the implementation of the small system laboratory assistance program instituted in July 2002. The program provides sampling assistance to systems serving population less than 100 people for contaminants.

The percent of public water systems that have *monitoring and reporting* violations for at least one contaminant was approximately 42 percent in 2002, which is consistent with previous reports (approximately 43 percent), and many of the remaining non-complying systems in the State serve businesses and not residential users. The number of Indiana residents at risk of exposure to harmful contaminants resulting from non-compliant water providers has fallen dramatically. From 1994 to 1999 there was a 97 percent decline in the number of water users dependent on systems that were in significant non-compliance with State and federal regulations.

Public sewerage provision to housing in Indiana is still somewhat below the national average, based on the most recently available data. In 1990, about 68 percent of the State's housing units were served by public sewers, while about a third of the State's housing units relied on a septic tank for sewage disposal. Nationally, public sewers served 74 percent of housing units and septic tanks were used by 25 percent of housing units.

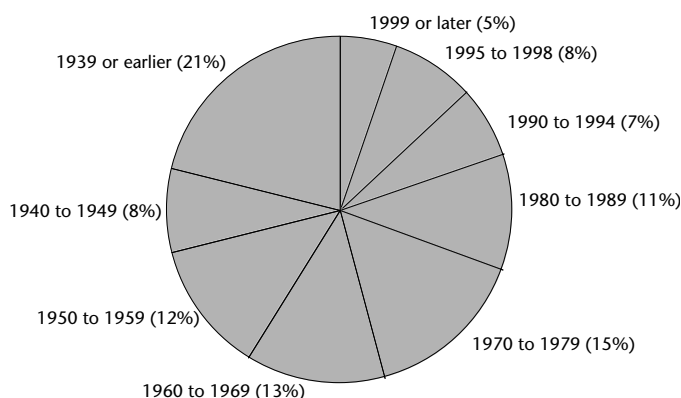
In the past, comprehensive data on access to public water and sewer was available from the Census Bureau. Unfortunately, the Census Bureau has discontinued tracking these indicators, and no agency has filled that gap to date.

Age. Age can also be a proxy for the condition of housing, especially the risk of lead-based paint. As discussed later in this section, units built before 1940 are most likely to contain lead based paint. Units built between 1940 to 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors.

Housing age data from the 2002 ACS indicate that almost 29 percent of the State's housing units, occupied or vacant, was built before 1940, when the risk of lead based paint is the highest. Approximately 70 percent of the housing stock was built before 1979. As of the 2000 Census, the median age of housing stock in the State was 34 years old. Exhibit IV-8 presents the distribution of housing units in the State by age.

**Exhibit IV-8.
Housing Units by
Year Built, 2002**

Source:
U.S. Census Bureau's American Community
Survey, 2002.



Overcrowding. A final measure of housing conditions is overcrowding. The Census Bureau reports that in 2002, 1.5 percent of the State's occupied housing units, or 44,287, were overcrowded, which is defined as more than 1.01 persons per room. Less than a half percent of the State's housing units were severely overcrowded (more than 1.51 persons per room). These data compare favorably to national averages of 4.0 percent of units that were overcrowded and 1.3 percent severely overcrowded in 2002.

Combined factors. PUMS data provided by the 2002 ACS allow for a comparison of housing condition factors by household income.

The household income categories of 31 to 50 percent and 81 to 100 percent of median household income had a higher ratio of households with more than one person per room, 2.2 percent and 2.5 percent, respectively, than other income categories. The following exhibit shows the percent of households experiencing overcrowding by household income category.

**Exhibit IV-9.
Overcrowded Housing Units by Household Income Category, 2002**

% of Median Household Income	Income Cut-Off	Percent of All Occupied Units that are Overcrowded	Distribution of Units Overcrowded
less than or equal to 30%	\$12,390	1.7%	10.6%
31% to 50%	\$20,650	2.2%	13.3%
51% to 80%	\$33,040	1.6%	13.9%
81% to 100%	\$41,300	2.5%	14.6%
greater than 100%	\$41,300 +	1.8%	47.5%
Total		1.9%	100.0%

Note: Overcrowded is defined as a housing unit with more than one person per room. Households who did not report an income were excluded. Therefore, only the percentages are reported to show trends. Median household income in 2002 was \$41,300 according to PUMS data.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

According to PUMS, just under one percent (an estimated 22,360) of occupied housing units lack complete plumbing. Of these occupied units that lack complete plumbing just under half have households who earn 50 percent or less than the area median household income. The following exhibit shows the distribution of occupied units with no plumbing by income category and the percentage of all occupied units that lack complete plumbing facilities by income.

Exhibit IV-10.
Occupied Units Lacking Complete Plumbing by Household Income Category, 2002

% of Median Household Income	Income Cut-Off	Percent of All Occupied Units with No Plumbing	Distribution of Units with No Plumbing
less than or equal to 30%	\$12,390	0.7%	22.5%
31% to 50%	\$20,650	0.9%	25.6%
51% to 80%	\$33,040	0.3%	13.4%
81% to 100%	\$41,300	0.1%	2.7%
greater than 100%	\$41,300 +	0.3%	35.9%
Total		0.4%	100.0%

Note: The percentages reflect those households who reported an income.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The data in Exhibits IV-9 and IV-10 suggest that lower income households are more likely to occupy units with condition problems than moderate to high income households.

Substandard housing definition. HUD requires that the state define the terms “standard condition,” “substandard condition” and “substandard condition but suitable for rehabilitation.” For the purposes of this report, units are in standard condition if they meet the HUD Section 8 quality standards. Units that are substandard but suitable for rehabilitation do not meet one or more of the HUD Section 8 quality standards. These units are also likely to have deferred maintenance and may have some structural damage such as leaking roofs, deteriorated interior surfaces, and inadequate insulation. A unit is defined as being substandard if it is *lacking the following*: complete plumbing, complete kitchen facilities, sewage removal that is hooked up to a public system, public or well water systems, and heating fuel (or uses heating fuel that is wood, kerosene or coal).

Units that are substandard but suitable for rehabilitation include units with some of the same features of substandard units (e.g., lacking complete kitchens or reliable and safe heating systems, or are not part of public water and sewer systems). However, the difference between substandard and substandard but suitable for rehabilitation is that units suitable for rehabilitation will have in place some (albeit limited) infrastructure that can be improved upon. In addition, these units might not be part of public water and sewer systems, but they will have sufficient systems to allow for clean water and adequate waste disposal.

Without evaluating units on a case-by-case basis, it is impossible to distinguish substandard units that are suitable for rehabilitation. In general, the substandard units that are less likely to be easily rehabilitated into good condition are those lacking complete plumbing; those which are not part of public water and sewer systems and require such improvements; and those heated with wood, coal, or heating oil. Units with more than one substandard condition (e.g., lacking complete plumbing and heated with wood) and older units are also more difficult to rehabilitate.

Environmental Issues

Environmental issues are also important to acknowledge when considering the availability, affordability and quality of housing. Exposure to deteriorated lead based paint and lead dust on the floor and windowsills, as well as lead in the soil, represents one of the most significant environmental threats from a housing perspective. Exposure to environmental hazards in the home (e.g., dust mites, cockroaches, animals (domestic animals and pest such as rodents) and mold), especially at a younger age, have been known to trigger asthma attacks and may even contribute to the development of asthma.

Lead-Based Paint

Dangers of lead-based paint. Childhood lead poisoning is one of the major environmental health hazards facing American children today. As the most common high-dose source of lead exposure for children, lead-based paint was banned from residential paint in 1978. Housing built prior to 1978 is considered to have some risk, but housing built prior to 1940 is considered to have the highest risk. After 1940 paint manufacturers voluntarily began to reduce the amount of lead they added to their paint. As a result, painted surfaces in homes built before 1940 are likely to have higher levels of lead than homes built between 1940 and 1978. HUD estimates that heavily leaded paint is found in about two-thirds of the homes built before 1940, one-half of the homes built from 1940 to 1960, and some homes built after 1960.

Children are exposed to lead poisoning through paint debris, dust and particles released into the air and then settle onto the floor and windowsills, which can be exacerbated during a renovation. The dominant route of exposure is from ingestion and not inhalation. Young children are most at risk because they have more hand-to-mouth activity and absorb more lead than adults.

Excessive exposure to lead can slow or permanently damage the mental and physical development of children ages six and under. An elevated blood level of lead in young children can result in learning disabilities, behavioral problems, mental retardation and seizures. In adults, elevated levels can decrease reaction time, cause weakness in fingers, wrists or ankles, and possibly affect memory or cause anemia. The severity of these results is dependent on the degree and duration of the elevated level of lead in the blood.

The primary treatment for lead poisoning is to remove the child from exposure to lead sources. This involves moving the child's family into temporary or permanent lead-safe housing. Lead-safe housing is the only effective medical treatment for poisoned children and is the primary means by which lead poisoning among young children can be prevented. Many communities have yet to plan and develop adequate facilities to house families who need protection from lead hazards.

Extent of the lead-based paint problem. As mentioned above, homes built before 1960 may have had interior or exterior paint with lead levels as high as 50 percent. Inadequately maintained homes and apartments are more likely to suffer from a range of lead hazard problems, including chipped and peeling paint and weathered window surfaces.

Approximately 1.8 million housing units in Indiana – more than 70 percent of the total housing stock – were built before 1978. About 540,000 units, or 21 percent of the housing stock, are pre-1940 and 523,000 units (20 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock, although the State's non-entitlement areas together have about the same percentage of pre-1940 units as the State overall. Marion County Health Department issued more than 200 citations to residents for lead hazards between January 1, 2000 and July 31, 2003. More than 99 percent of these homes were rental properties. Many small landlords (with less than 50 properties) are unaware of their responsibility of complying with code and tenants are also often ignorant of their responsibilities.

According to the Indiana Childhood Lead Poisoning Elimination Plan, Indiana children with the following characteristics are at high risk for exposure to lead hazards:

- Children living in older housing,
- Children living in poverty or families with a low-income,
- Children enrolled in Hoosier Healthwise (HH, Indiana's Medicaid and S-CHIP program), and
- Minority children.

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors make lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are both low income and live in older housing units. According to PUMS data, in 2002, there were 53,233 (8.1 percent) of all renter households that were very low income (earning less than 50 percent of the state median) and lived in housing stock built before 1940. There were also 77,919 (4.6 percent) of all owners with very low income and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

According to the Indiana State Department of Health's report to the Indiana General Assembly, 35,087 blood lead samples were taken in 2003 for children under 7 years old. Of these children, 691 (1.6 percent) were confirmed as lead poisoned. Another 572 children had failed the screening blood lead test and may or may not have been lead poisoned. However, the CDC estimates that in 2002 there were 13,400 Indiana children under age six with elevated blood lead levels.

According to the Indiana State Department of Health, Indiana has more than 13,000 active cases of children with lead poisoning and more than 2 million homes with lead based paint. Marion County Health Department has issued citations to reduce lead hazards in more than 1,100 homes. Therefore, addressing the problem through existing and new housing rehabilitation programs is

fundamental to reach the Indiana and federal goal of eliminating childhood lead poisoning by the year 2010.

Available resources. The Residential Lead-Based Hazard Reduction Act of 1992 (commonly referred to as Title X) supports widespread prevention efforts of lead poisoning from lead-based paint. The Title X program provides grants of between \$1 million and \$6 million to states and local governments for lead abatement in privately owned housing or housing units on Superfund/Brownfield sites. Since the program's inception in 1993 through 2002, approximately \$703 million in grants have been awarded to 37 States and the District of Columbia. The City of Indianapolis was the only Indiana community to apply for these grants. It received \$1.7 million in 2002 with the contract signed in 2003.

In addition to available funding from the Title X program, recent changes to the Community Development Block Grant (CDBG) program have added lead based paint abatement to eligible activities for CDBG funding. In order to receive Title X or CDBG funding, States must enact legislation regarding lead-based paint that includes requirements of accreditation or certification for contractors who remove lead-based paint. Indiana adopted such legislation in 1997 (Indiana Code, 13-17-14).

The State of Indiana Department of Environmental Management (IDEM), in conjunction with the Department of Health and the Marion County Health Department, developed the "Lead for 2000" campaign. Initiated in 1998, the campaign was aimed at reducing the incidence of childhood exposure to harmful lead-based contaminants by providing families and childcare facilities with free lead risk assessments and educational outreach.

In 1998, the three organizations launched the 2000 Lead-Safe Families for 2000 Project. It was the first innovative project of its kind in the nation focusing on the primary prevention of lead poisoning. Since the launch of the project, IDEM has trained more than 100 lead assessors, and they have completed more than 1,300 lead assessments in homes and childcare facilities. This effort entailed training lead-assessors, promoting awareness of the health risks that lead exposure presents, and educating families in methods that they can apply to minimize the risks presented by exposure to lead. These efforts were aimed at private homes as well as childcare facilities when children may be at risk. Several groups and individuals are now better equipped to deal with lead-based paint poisoning concerns in Indiana:

- Several health departments have individuals trained, licensed, and ready to perform risk assessments whenever a lead-poisoned child is identified by the healthcare system;
- The IDEM Lead Licensing Branch has worked through its EPA approvals and has managed the testing and licensing of a large number of individuals;
- The ISDH laboratory has successfully managed a very large volume of samples and has identified key factors for successful analysis of risk assessment sample requests;
- The institute has developed, field-tested, and made available to Indiana risk assessors a standardized set of forms for conducting and reporting a risk assessment; and

- A large number of individuals and organizations have been sensitized to the genuine threat of lead poisoning to young children. This sensitization has been obvious during the past two years, as Indiana housing agencies have been working to incorporate lead-safe work practices into rehabilitation, renovation, modernization, and weatherization programs. Several key individuals in the current effort were first involved with lead issues during the 2000 Safer Families Program, and the experience gained and lessons learned have been important to the success of the current effort.

In September 2000, HUD adopted new requirements for lead evaluation of multifamily properties that are federally assisted for new applicants of mortgage insurance. In general, the regulations require the testing and repair of all of the properties acquired or rehabilitated through federal programs. In preparation for the new requirements, IHFA sent a list of the new requirements to its HOME and CDBG recipients and held a training to assist grantees with implementation of the new requirements in April and May of 2001.

The U.S Department of Energy updated its program guidelines and procedures in July 2002 of the Weatherization Assistance Program. This action updates guidance on health and safety issues and provides lead-safe weatherization protocol work in buildings that might contain lead paints. In September 2000, the Department of Energy also updated its regulations for administration of the Weatherization Assistance Program. This update further protects residents of HUD program housing and other federally owned or assisted homes from the dangers of lead-based paint by ensuring proper remediation and mitigation protocol when weatherizing these units.

Indiana's Weatherization program goes far beyond the federal minimum when it comes to lead-based paint hazards during weatherization. Community Action Agencies received training and x-ray fluorescence equipment so they could properly identify lead-based paint and lead hazards. FSSA has adopted specific policies and procedures to protect children.

For several years, IHFA has provided funding to The Indiana Association of Community Economic Development and the Environmental Management Institute (EMI) to provide lead inspection, risk assessor and lead supervision training, certification, and refresher courses. EMI is the State's largest provider of lead hazard training and offers supervisor, risk assessor and inspector training throughout the State.

In addition, EMI and Improving Kid's Environment (IKE) conducted the second annual Lead-Safe Conference in October 2003, which provided information about improving compliance with lead hazard reduction methods. Two organizations offered accredited lead refresher training as part of the annual conference for supervisors and risk assessors.

A major challenge in mitigating lead hazards in Indiana has been increasing the number of abatement contractors. During 2003, two major changes were made to improve Indiana's numbers:

- IDEM recently streamlined its contractor licensing process; and
- EMI and IKE worked together to clarify the type of insurance required by IDEM for contractors. IDEM had been suggesting that contractors purchase specialty insurance that was cost prohibitive.

A plan is also being developed by the Indiana State Department of Health's Lead Elimination Plan Action Committee (EPAC) to eliminate lead poisoning in Indiana by 2010. The U.S. Centers for Disease Control and Prevention expects to finalize the plan by June 2004. Since childhood lead poisoning is preventable, Indiana's Plan to eliminate lead poisoning focuses on prevention. Primary prevention is focused on making older homes lead-safe.

The EPAC held its first meeting in October 2003 and has met a total of six times. At the first meeting the committee approved the creation of six subcommittees: Housing, Environmental, Medical, Screening, Resources, and Evaluation. On March 19, 2004 a draft of the plan was completed and submitted to the CDC.

Legislation. The Indiana General Assembly adopted a law, HEA 1171 – Lead Poisoning Prevention Legislation for Indiana, that went into effect July 1, 2002. It established specific obligations for landlords and tenants. The legislation:

- Sets the times for expiration and renewal of lead-based paint activities licenses and adjusts training for licensure.
- Provides for the licensing and training of clearance examiners.
- Prohibits the use of certain methods to remove lead-based paint and requires that removed paint be discarded, with the exception for certain homeowners.
- Requires a laboratory that tests the blood of certain children for lead to report the test results to the state department of health.
- Requires information that is gathered concerning the concentration of lead in the blood of children less than seven years of age to be shared among certain federal, state, and local government agencies.

The General Assembly also passed on October 10, 2003, revisions to its lead-based paint activities rules. These revisions amended rules concerning the licensing of individuals and contractors engaged in lead-based paint and training activities. It also added and repealed text concerning work practice standards for nonabatement activities. The revisions simply captured requirements already established in statute by the 2002 Indiana General Assembly. It is now a Class D felony to dry-sand, dry-scrape or burn paint in housing built before 1960. It is also a Class D felony to leave painted debris behind after working on these homes.

Asthma

Dangers of asthma. Asthma is a chronic lung disease that causes episodes of breathlessness, wheezing and chest tightness. Asthma can be difficult to diagnose and differentiate from other respiratory problems. The strongest risk factors for development of asthma are family history of allergic disease and sensitization to one or more indoor allergens. Sensitization to a substance is the development of an allergic reaction to that substance. Allergens are proteins with the ability to trigger immune responses and cause allergic reactions in susceptible individuals. They are typically found

attached to very small particles, which can be airborne as well as present in household dust. Common indoor allergen sources include dust mites, cockroaches, animals (domestic animals and pest such as rodents), and mold.

According to a HUD report completed in 2001, dust mites are the only home allergen source that the National Academies' Institute of Medicine report found sufficient evidence in the literature of a causal relationship between exposure and the development of asthma in susceptible children. Exposure to house dust mite allergens in childhood has been linked to an increase in the relative risk of developing asthma, and numerous other allergens are associated with asthma exacerbation in sensitized individuals. General conclusions about the relative risk of various indoor agents associated with asthma are difficult, largely due to the dependency of the particular risk on the characteristics of a given environment (e.g., climate, urban setting) and its occupants (e.g., smokers, genetics). Research generally supports the avoidance measures for allergens begin at the earliest age possible in high risk infants.

Extent of the asthma problem. National data shows that prevalence of asthma in children has risen in the past 20 years and has become a significant medical problem. Between 1982 and 1994, the national prevalence of asthma increase 66 percent overall (3.5 percent to 5.8 percent) and increased 73 percent among children/young adults age 18 years and less (4.0 percent to 6.9 percent), affecting 15 million people (nearly 5 million under the age of 18).

According to the national Behavioral Risk Factor Surveillance System (BRFSS), 11.3 percent of Hoosiers have had asthma in their lifetime and 7.5 percent currently have it. These rates are the same or slightly better than the national averages of 11.8 percent and lifetime and 7.5 percent currently.

A public health survey in 2002 showed that approximately 12.9 percent of Indiana households reported having one child who had been diagnosed with and nearly 2.8 percent has two or more children diagnosed with asthma. Health officials report that asthma accounts for one third of all pediatric emergency room visits. Asthma is also the most prevalent chronic disease among children, and it is the number one reason for school absences.

A previous BRFSS study in 2000 indicated Indiana had a much higher percentage of people with asthma in the lower economic brackets: 19.3 percent of adults with annual income less than \$15,000 in Indiana had reported to have asthma, compared to 14.4 percent nationwide. Indiana also had 18.1 percent of the population reporting asthma compared to 12.1 percent for the national average among the African-American, non-Hispanic population.

Available resources. In 2002 IDEM joined a national steering committee comprised of state health agencies and state environmental agencies, to discuss developing a vision statement and action items to identify steps that states can take to address indoor and outdoor environmental factors that contribute to asthma in children. A document is being made available for states to use in developing their asthma prevention and control programs and will undergo further review and discussion.

IDEM and ISDH recently leveraged their resources by combining a public health and an environmental approach to address asthma by developing the Indiana Joint Asthma Council (InJAC). The Centers for Disease Control and Prevention's National Center for Environmental Health funded Indiana to create a State action plan prior to implementing activities to decrease the burden of

asthma in Indiana. The U.S. EPA funded Indiana to develop a patient education tool addressing environmental triggers of asthma. Both of these tandem projects will occur between May 2003 and September 2004.

Presently, the InJAC is on track to finalize its plan to reduce asthma in Indiana, which should be published in September 2004. The five areas of focus committees for InJAC are:

- Data and surveillance;
- General public and consumer education;
- Health care provider;
- Environmental quality; and
- Children and youth.

Housing issues are a primary focus for the Environmental Quality Committee.

Housing Affordability

According to PUMS data provided by the 2002 ACS, there were a total of 460,880 cost burdened households in Indiana, 48 percent were renters and 52 percent were owners.

Owners. The ACS estimated the median value of an owner-occupied home in the State as \$100,762 in 2002. This compares with the U.S. median of \$136,929 and is the second lowest median compared to surrounding States, as shown in Exhibit IV-11.

Exhibit IV-11.
Regional Median Owner-
Occupied Home Values, 2002

Note:

The home values are in 2002 inflation-adjusted dollars for specified owner occupied units.

Source:

U.S. Census of the Bureau, American Community Survey, 2002.

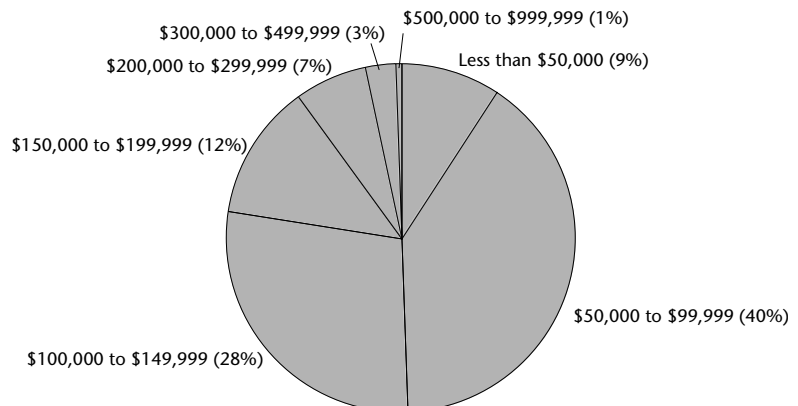


In Indiana, 40 percent of specified owner occupied units had values between \$50,000 and \$99,999, and about 68 percent were valued between \$50,000 and \$149,999. Exhibit IV-12 presents the price distribution of owner-occupied homes in the State.

Exhibit IV-12.
Owner Occupied Home
Values, 2002

Source:

U.S. Census of the Bureau, American Community Survey, 2002.



Although housing values in Indiana are still affordable relative to national standards, many Indiana households have difficulty paying for housing. Housing affordability is typically evaluated by assessing the share of household income spent on housing costs. These costs include mortgages, real

estate taxes, insurance, utilities, fuels, and, where appropriate, fees such as condominium fees or monthly mobile home costs. Households paying over 30 percent of their income for housing are often categorized as cost burdened.

The ACS reports that 17 percent of all homeowners (240,000 households) in the State were paying more than 30 percent of 1999 household income for housing, and 12 percent (171,000 households) were paying more than 35 percent. Exhibit IV-13 presents these data.

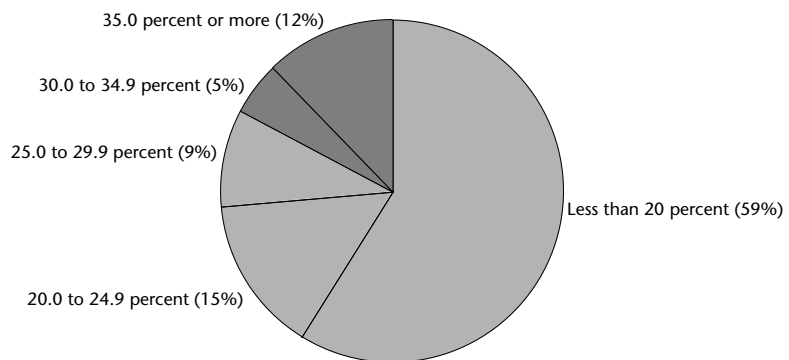
Exhibit IV-13.
Owner's Housing Costs as
Percent of Household
Income, 2002

Note:

Shaded areas indicate cost burdened households.

Source:

U.S. Census of the Bureau, American Community Survey, 2002.



Among homeowners with mortgages, approximately 21 percent were reported as cost burdened, a figure that drops to about seven percent when considering homeowners without mortgages.

The 2000 Census also reports cost burden by age of the primary householder and household income range. As shown in Exhibit IV-14, the percentage of households who are cost burdened tends to decrease as householder age increases — until householders become seniors, when they are likely to be living on fixed incomes.

Exhibit IV-14.
Cost Burden by Age of Householder, Owners, 2000

Householder Age	Number of Households Cost Burdened	Percent of Households Cost Burdened
15 to 24 years	5,265	26%
25 to 34 years	33,498	22%
35 to 44 years	51,366	16%
45 to 54 years	42,130	14%
55 to 64 years	32,711	15%
65 to 74 years	29,514	17%
75 years and older	25,685	18%

Source: U.S. Bureau of the Census, 2000.

As shown in Exhibit IV-15 below, the cost burden of owner-occupied households who pay a mortgage drops as income increases. In 2002, 88 percent of the households in the State that earned less than or equal to \$20,650 per year were cost-burdened in 2002, compared to 15 percent of

households earning more than \$20,650. \$20,650 is equal to 50 percent of the median household income of \$41,300, which was calculated using 2002 PUMS.

Exhibit IV-15.

Cost Burden by Income, Owner Households with a Mortgage, 2002

% of Median Household Income	Income Cut-Off	Cost Burdened Owner Households	% of Households Cost Burdened	Owners with a Mortgage
less than or equal to 30%	\$12,390	35,449	92%	38,730
31% to 50%	\$20,650	52,953	85%	62,113
51% to 80%	\$33,040	64,695	48%	135,225
81% to 100%	\$41,300	34,130	29%	119,408
greater than 100%	\$41,300 +	<u>53,944</u>	7%	<u>795,822</u>
Total Owner Households		241,171	21%	1,151,298

Note: Owner households who pay no mortgage were not included in calculation.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Renters. The 2002 ACS also provides data on housing costs for renter households. The Census Bureau reports that the median gross rent, Statewide, was \$545 per month in 2002. Gross rent includes contract rent, plus utilities and fuels if the renter pays for them. (And most renters do: The Census reports that 82 percent of rental units do *not* include utility payments in the rent price). About 27 percent of all units Statewide were estimated to rent for \$300 to \$499 in 2002, while another 40 percent were estimated to rent for \$500 to \$749. The distribution of Statewide gross rents is presented in Exhibit IV-16.

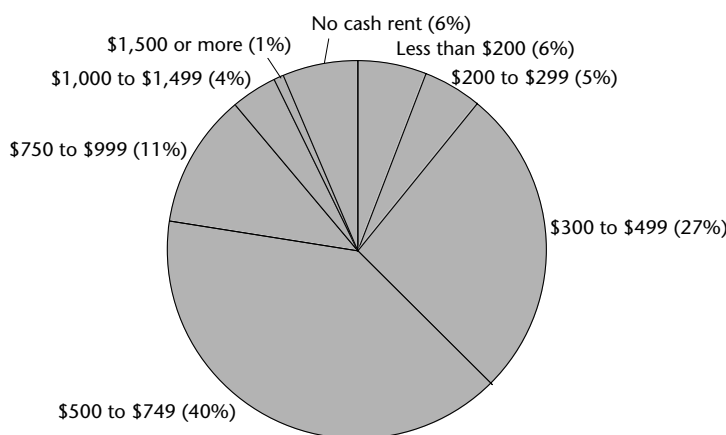
Exhibit IV-16.

Distribution of Statewide Gross Rents, 2002

Note: No Cash Rent represent units that are owned by friends or family where no rent is charged and/or units that are provided for caretakers, tenant farmers, etc.

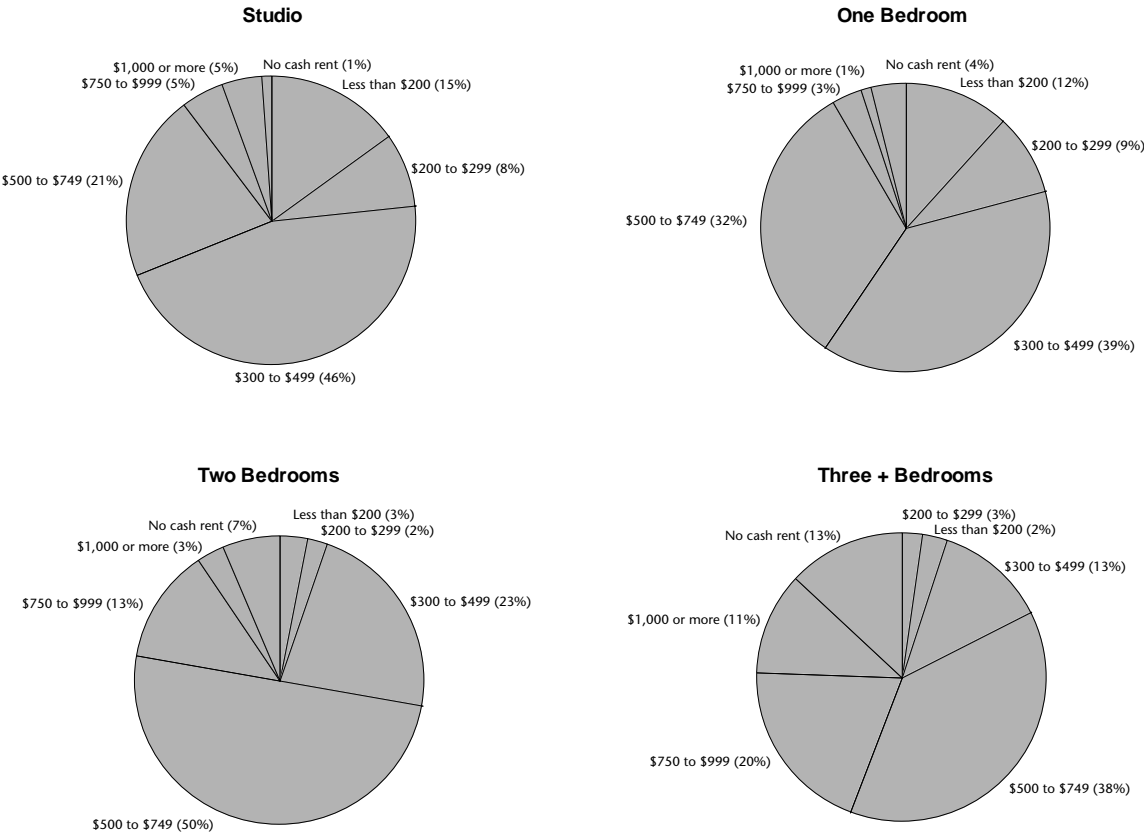
Source:

U.S. Census of the Bureau, American Community Survey, 2002.



The Census also collected data on rents by household size. Exhibit IV-17 shows the distribution of rent costs by size of housing unit.

Exhibit IV-17.
Distribution of Rents, by Size of Unit, 2002



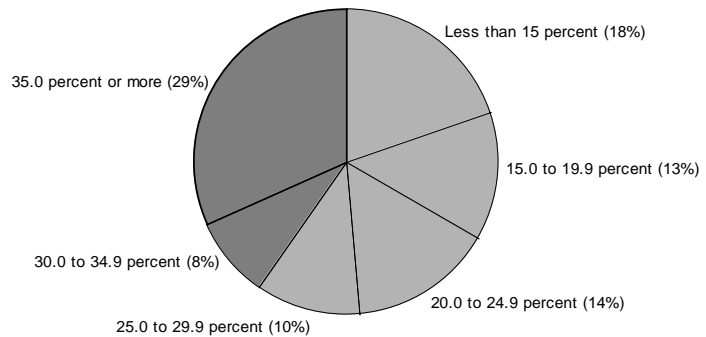
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

As in the case of owner-occupied homes, rent burdens can be evaluated by comparing rent costs to household incomes. The 2002 ACS Summary Tables estimate that 37 percent of Indiana renters – or 238,000 – paid more than 30 percent of household income for gross rent, with most of these (29 percent of renters, or 190,000) paying more than 35 percent of their incomes. Rentals constituted only 28 percent of the State’s occupied housing units in 2002; however, there were almost as many cost-burdened renter households (238,000) as cost-burdened owner households (240,000). Exhibit IV-18 presents the share of income paid by Indiana renters for housing.

Exhibit IV-18.
Renters’ Housing Costs as
Percent of Household Income,
2002

Note:
Shaded areas indicate cost burdened households.

Source:
U.S. Census of the Bureau’s American Community
Survey, 2002.



The Census also reports renter cost burden by age and household income range. As shown in Exhibit IV-19, the largest numbers of cost-burdened renter households are in the youngest age cohorts. However, the youngest (15 to 24 years) and oldest (over 65 years old) households have the largest percentages of households with cost-burden: Approximately half of these households are cost burdened.

Exhibit IV-19.
Cost Burden by Age of Householder, Renters, 2000

Household Age	Number of Households Cost Burdened	Percent of Households Cost Burdened
15 to 24 years	48,420	48%
25 to 34 years	50,088	30%
35 to 44 years	36,060	29%
45 to 54 years	22,884	28%
55 to 64 years	16,062	36%
65 to 74 years	16,534	45%
75 years and older	27,691	53%

Source: U.S. Bureau of the Census, 2000.

As would be expected, renter households with the lowest incomes are more likely to be cost burdened. Exhibit IV-20 shows cost burden by income for the State’s households in 2002. As the exhibit demonstrates, renter cost burden drops dramatically when household income exceeds 80 percent of the median household income of \$33,040.

Exhibit IV-20.**Cost Burden by Income of Householder Who Pay Cash Rent, Renters, 2002**

% of Median Household Income	Income Cut-Off	Cost Burdened Renter Households	% of Households Cost Burdened	Renters Paying Cash Rent
less than or equal to 30%	\$12,390	77,140	51%	152,442
31% to 50%	\$20,650	75,354	71%	106,856
51% to 80%	\$33,040	36,595	27%	135,632
81% to 100%	\$41,300	5,968	9%	63,029
greater than 100%	\$41,300 +	24,652	16%	154,821
Total Renter Households		219,709	36%	612,780

Note: Renter households paying "no cash rent" were not included in calculation. The possible difference between the ACS Summary Table number of cost burdened renters households (238,114) versus the PUMS cost burdened renters (219,709) may be due to different sampling methodology used for the Summary Tables.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Households with Members who are Disabled. According to the Summary Tables an estimated 17 percent of persons reported they had a disability in 2002. PUMS data was used to determine the number of households with at least one person with a disability that is cost burdened. The data show that 44 percent of all cost burdened owners who pay a mortgage have a disability. The same is true for cost burdened households who are renters. Just over one-fourth of owner households with a disability are cost burdened and 44 percent of renter households with a disability are cost burdened. The percentage of households with a disability that are cost burdened are higher percentages for all types of households.

Exhibit IV-21.**Households with a Disability who are Cost Burdened, 2002**

Households with a disability	Owners		Renters		Total	
Cost burdened	106,174	27%	95,666	44%	201,840	33%
All households with a disability	394,368	100%	217,295	100%	611,663	100%
Cost Burdened Households						
With a disability	106,174	44%	95,666	44%	201,840	44%
All cost burdened households	241,171	100%	219,709	100%	460,880	100%

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Housing Market Analysis. The 2002 PUMS data allowed for an examination of household income by what households pay in rent and by the value of their property. This allows for a more detailed comparison of what value of units households are occupying and if they are affordable.

Exhibit IV-22 shows that households earning less than 30 percent of the median household income of \$41,300 can afford a home valued at \$43,398 or below. According to PUMS, 79 percent of these households are in units above what they can afford (i.e., they are cost burdened). Half of the households earning between 31 and 50 percent of the median income were in units that were affordable.

Exhibit IV-22.
Household Property Value of Owner Occupied Units with a Mortgage by Household Income, 2002

Property Value	Percent of Median Household Income (\$41,300)									
	less than or equal to 30%		31% to 50%		51% to 80%		81% to 100%		greater than 100%	
	< \$12,391		\$20,650		\$33,040		\$41,300		\$41,300+	
Less than \$43,398	7,705	21%	10,575	18%	21,429	16%	11,742	10%	30,969	4%
\$43,398 to \$72,329	9,088	24%	19,504	32%	32,991	25%	25,797	22%	85,894	11%
\$72,330 to \$99,999	10,395	28%	15,511	26%	37,651	28%	34,896	29%	175,768	22%
\$100,000 to \$115,727	1,938	5%	3,537	6%	9,131	7%	12,603	11%	84,199	11%
\$115,728 to \$124,999	1,143	3%	2,085	3%	5,384	4%	7,431	6%	49,640	6%
\$125,000 to \$144,658	1,403	4%	4,631	8%	7,466	6%	8,175	7%	87,288	11%
\$144,659 to \$199,999	2,338	6%	3,042	5%	11,309	9%	11,106	9%	156,288	20%
\$200,000 to \$299,999	1,485	4%	1,334	2%	5,478	4%	5,418	5%	80,073	10%
\$300,000 to \$499,999	1,452	4%	0	0%	1,190	1%	1,202	1%	34,648	4%
\$500,000 or more	295	1%	0	0%	435	0%	199	0%	9,340	1%
Total	37,243	100%	60,218	100%	132,464	100%	118,569	100%	794,107	100%
Total "Overpaying" Hoosiers	29,538	79%	30,140	50%	31,262	24%	17,925	15%		
Total "Underpaying" Hoosiers			10,575	18%	54,420	41%	85,038	72%		

Note: The numbers assume loan terms of 5 percent down, 6 percent interest rate, and 30-year term, adjusted for PMI, hazard insurance, and property taxes.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The shaded areas represent households who are in units who spend less than 30 percent of their income on housing. The darker shaded areas represent households who occupy housing in their affordability range. Households who earn less than of equal to 30 percent of the median household income (<\$12,291) can afford homes valued under \$43,399; households in the 31 to 50 percent income category can afford home values under \$72,330; households in the 51 to 80 percent income category can afford home values under \$115,727; and households in the 81 to 100 percent income category can afford home values under \$144,659.

Further analysis of the upper income categories reveals some households are occupying units below their price range. For example, 72 percent of households in the 81 to 100 percent income range are occupying units below what they are able to afford (households in the 81 to 100 percent income category can afford homes valued \$115,727 to \$144,658).

Forty-one percent of the households in the 51 to 80 percent income range are occupying units that are affordable to households in the lower income categories. Sixteen percent of these households are occupying units that would be affordable to households in the extremely income range (less than or equal to 30 percent of AMI). If these households occupied units in their affordability range, between \$72,330 and \$115,727, this would free up those lower priced units for the extremely low income households to occupy.

The following exhibit shows the number of households by income category and the gross rent they pay. According to PUMS, 66 percent of the households who earn less than or equal to 30 percent of the median household income of \$41,300 are in units where they spend more than 30 percent of their income on housing (these households are cost burdened). Just under half of the households in the 31 to 50 percent income category are cost burdened.

Exhibit IV-23.
Household Gross Rent by Household Income, 2002

Gross Rent	Percent of Median Household Income (\$41,300)									
	less than or equal to 30%		31% to 50%		51% to 80%		81% to 100%		greater than 100%	
	< \$12,391		\$20,650		\$33,040		\$41,300		\$41,300+	
Less than \$200	30,274	20%	2,967	3%	1,990	1%	465	1%	2,293	1%
\$200 to \$310	21,845	14%	5,466	5%	3,393	3%	2,425	4%	2,317	1%
\$311 to \$516	51,553	34%	47,527	44%	51,339	38%	16,094	26%	25,689	17%
\$517 to \$749	36,883	24%	41,213	39%	62,040	46%	30,613	49%	68,392	44%
\$750 to \$826	6,652	4%	3,087	3%	7,582	6%	3,713	6%	19,523	13%
\$827 to \$1,033	3,652	2%	4,081	4%	4,925	4%	7,254	12%	22,064	14%
\$1,034 to \$1,499	715	0%	1,688	2%	2,628	2%	2,248	4%	13,660	9%
\$1,500 or more	868	1%	827	1%	1,735	1%	217	0%	883	1%
Total	152,442	100%	106,856	100%	135,632	100%	63,029	100%	154,821	100%
Total "Overpaying" Hoosiers	100,323	66%	50,896	48%	9,288	7%	2,465	4%		
Total "Underpaying" Hoosiers			8,433	8%	56,722	42%	53,310	85%		

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The shaded areas represent households who are in units who spend less than 30 percent of their income on housing. The darker shaded areas represent households that occupy housing in their affordability range. Households who earn less than or equal to 30 percent of the median household income (<\$12,291) can afford rents under \$311; households in the 31 to 50 percent income category can afford rents under \$517; households in the 51 to 80 percent income category can afford rents under \$827; and households in the 81 to 100 percent income category can afford rents under \$1,033.

Examination of the upper income categories reveal that many households may be occupying units that are well below their affordability level. Over three-fourths of the households in the 81 to 100 percent income category occupy units that lower income categories could afford. This may suggest a need for more higher end rental units, which would free up lower priced units for the households in the lower income categories to occupy.

CHAS data. HUD provides data on households by income, special need and tenure for use in Consolidated Planning (these data are called CHAS data, after the name of the first consolidated planning reports). Exhibit IV-24 and Exhibit IV-25 present these data for all households in the Indiana State Program for CDBG and HOME.

Exhibit IV-24.
Housing Problems Output for All Households, State of Indiana CDBG Program, 2000

Name of Jurisdiction: Indiana State Program(CDBG), Indiana			Source of Data: CHAS Data Book			Data Current as of: 2000					
Household by Type, Income, & Housing Problem	Renters					Owners					Total Households
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
1. Household Income <=50% MFI	34,800	33,709	6,220	30,735	105,464	76,752	33,525	9,224	20,181	139,682	245,146
2. Household Income <=30% MFI	18,722	16,254	2,452	17,463	54,891	29,206	13,154	3,124	10,157	55,641	110,532
3. % with any housing problems	52.9	77.7	83.8	66.9	66.1	61.9	75.8	87.3	72.6	68.6	67.3
4. % Cost Burden >30%	52.2	76.1	78.3	65.6	64.7	61.2	74.9	78.5	71.8	67.3	66
5. % Cost Burden >50%	33.5	55.5	51.8	50.9	46.3	32.3	59.1	62.8	56.5	44.8	45.5
6. Household Income >30% to <=50% MFI	16,078	17,455	3,768	13,272	50,573	47,546	20,371	6,100	10,024	84,041	134,614
7. % with any housing problems	45.9	57.5	65.5	62.3	55.7	27.4	60.4	71.5	55.3	41.9	47.1
8. % Cost Burden >30%	44.9	55.3	40.6	60.2	52.2	26.7	59.2	59.8	54.2	40.3	44.8
9. % Cost Burden >50%	12.3	7.2	4.8	13.4	10.3	10.5	27.8	20.4	27.9	17.5	14.8
10. Household Income >50 to <=80% MFI	10,879	28,213	6,806	22,498	68,396	67,500	63,604	18,648	23,832	173,584	241,980
11. % with any housing problems	23.5	14.8	33.5	19.3	19.5	14.5	35.9	43.6	40.2	29	26.3
12.% Cost Burden >30%	22.2	11.1	7.2	17.6	14.6	14	34.9	29.6	39.3	26.8	23.4
13. % Cost Burden >50%	5.3	0.6	0.3	1	1.4	4.1	7	4.7	9.3	5.9	4.7
14. Household Income >80% MFI	8,946	54,242	9,120	35,721	108,029	116,708	468,969	78,410	72,916	737,003	845,032
15. % with any housing problems	7.3	3.2	24.4	3.3	5.3	4.6	5.9	12	10.7	6.8	6.6
16.% Cost Burden >30%	5.8	0.7	0.4	1	1.2	4.3	5.3	5.1	9.9	5.6	5
17. % Cost Burden >50%	2.7	0.2	0.1	0	0.3	0.7	0.5	0.5	1.1	0.6	0.6
18. Total Households	54,625	116,164	22,146	88,954	281,889	260,960	566,098	106,282	116,929	1,050,269	1,332,158
19. % with any housing problems	37.5	24.6	40.8	28.7	29.6	17.7	12.8	23.2	25.9	16.5	19.3
20. % Cost Burden >30	36.5	22	18	26.7	26	17.3	12.2	14.7	25.1	15.1	17.4
21. % Cost Burden >50	16.6	9.1	6.7	12.3	11.3	6.9	3.6	4.2	9.8	5.2	6.5

Note: Any housing problems includes cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems include overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households include 1 or 2 person household, either person 62 years old or older.

Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: HUD CHAS Data (<http://socds.huduser.org/chas/index.htm>?) Tables F5A, F5B, F5C, F5D, May 6, 2004, 11:30AM MDT.

Exhibit IV-25.
Housing Problems Output for All Households, State of Indiana HOME Program, 2000

Name of Jurisdiction: IN State Program(HOME), Indiana			Source of Data: CHAS Data Book			Data Current as of: 2000					
Household by Type, Income, & Housing Problem	Renters					Owners					Total Households
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
1. Household Income <=50% MFI	39,598	39,717	7,389	35,043	121,747	81,933	35,074	9,818	21,442	148,267	270,014
2. Household Income <=30% MFI	21,479	19,372	3,086	19,623	63,560	31,209	13,641	3,295	10,802	58,947	122,507
3. % with any housing problems	52.8	76.7	84.1	67.8	66.3	61.4	76.6	87.3	73	68.5	67.3
4. % Cost Burden >30%	52.1	75.2	77.7	66.7	64.9	60.7	75.6	78.8	72.2	67.3	66
5. % Cost Burden >50%	34.1	55.8	52	51.5	46.9	32.2	59.8	63.3	57.3	44.9	46
6. Household Income >30% to <=50% MFI	18,119	20,345	4,303	15,420	58,187	50,724	21,433	6,523	10,640	89,320	147,507
7. % with any housing problems	47.1	58.2	65.9	63.6	56.8	27.5	60.9	71.3	56.4	42.1	47.9
8. % Cost Burden >30%	46.2	56.2	41.8	61.8	53.5	26.9	59.7	60.3	55.3	40.6	45.7
9. % Cost Burden >50%	12.5	7.1	4.6	13.8	10.4	10.6	28.1	20.1	29.4	17.7	14.8
10. Household Income >50 to <=80% MFI	12,524	32,092	7,694	26,187	78,497	71,150	66,990	19,488	25,705	183,333	261,830
11. % with any housing problems	25.6	15.2	35.6	19.6	20.3	14.8	36.2	43.3	40	29.2	26.5
12. % Cost Burden >30%	24.3	11.3	7	17.9	15.2	14.4	35.2	29.1	39.2	27	23.5
13. % Cost Burden >50%	5.7	0.6	0.2	1.1	1.6	4.1	7.3	4.7	9	6	4.7
14. Household Income >80% MFI	10,200	61,244	10,345	42,072	123,861	122,882	493,693	82,303	79,461	778,339	902,200
15. % with any housing problems	8.2	3.5	26.5	3.4	5.8	4.5	5.9	12.2	10.8	6.9	6.7
16. % Cost Burden >30%	6.8	0.7	0.5	1.2	1.4	4.2	5.4	5.3	10	5.7	5.1
17. % Cost Burden >50%	2.8	0.1	0.1	0.1	0.3	0.7	0.5	0.5	1.1	0.6	0.6
18. Total Households	62,322	133,053	25,428	103,302	324,105	275,965	595,757	111,609	126,608	1,109,939	1,434,044
19. % with any housing problems	38.4	25.3	42.9	28.7	30.3	17.8	12.9	23.3	25.9	16.7	19.7
20. % Cost Burden >30	37.3	22.6	18.8	26.9	26.5	17.4	12.3	14.8	25	15.3	17.8
21. % Cost Burden >50	17	9.4	7.2	12.1	11.6	7	3.6	4.2	9.9	5.2	6.7

Note: Any housing problems includes cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems include overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households include 1 or 2 person household, either person 62 years old or older.

Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: HUD CHAS Data (<http://socds.huduser.org/chas/index.htm?>) Tables F5A, F5B, F5C, F5D, May 6, 2004. 11:30 AM MDT.

Affordability by Minimum Wage. A 2003 study by the National Low Income Housing Coalition found that extremely low households in Indiana can afford a monthly rent of no more than \$431, while the HUD Fair Market Rent for a two bedroom unit in the State is \$572. For single earner families at the minimum wage, it would be necessary to work 85 hours a week to afford a two bedroom unit at the HUD Fair Market Rent for the State.

The study analyzed the affordability of rental housing for the State overall and for the State excluding the metropolitan areas. Exhibit IV-26 reports the key findings from the 2003 study. As shown below, in the State's non-metro areas, studio and one-bedroom apartments are relatively affordable to a family earning the median income – that is, families would not be cost-burdened if they rented apartments of this size. However, families with one worker earning the minimum wage would have difficulty renting any size apartment without working more than a 40 hour week.

Exhibit IV-26.
Housing Cost Burden, Indiana Non-Metro Areas, 2003

	0 Bedrooms	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Percent of median family income needed	25%	28%	35%	45%	51%
Work hours/week needed at the minimum wage	48	54	69	88	99
Income needed	\$12,899	\$14,475	\$18,438	\$23,676	\$26,439

Note: Family annual median income was estimated at \$52,091 for non-metropolitan Indiana.

Source: National Low Income Housing Coalition, *Out of Reach*, 2003.

Future housing needs. As discussed on page 16, approximately 240,000 households who own their homes and 238,000 households who are renting are paying 30 percent or more of their incomes in housing costs and, as such, are cost burdened. Although cost burden can be an indicator of housing need, not all households that are cost-burdened are in need of housing. For example, younger households may choose to be cost burdened when they buy their first or second homes in anticipation of rising incomes in the future. Also, it is not uncommon for elderly households to pay a higher percentage of their incomes in housing costs, because their incomes are often fixed and their other expenses are lower than those of younger households.

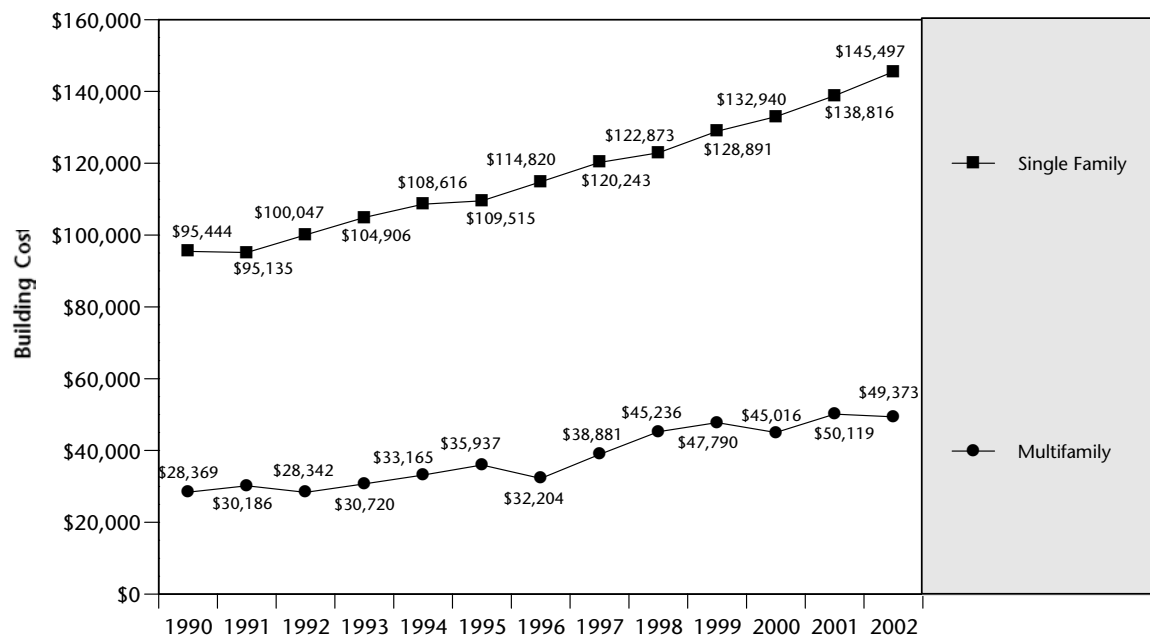
The cost-burdened households with the greatest needs are generally those with the lowest incomes. Unlike households which may be voluntarily cost burdened in anticipation of rising incomes or choose to live in more expensive housing, the State's lowest income households are cost-burdened. The 2002 PUMS reported 152,494 cost-burdened renter households and 88,402 cost-burdened owner households with annual incomes less than \$20,650 (50 percent of the median household income) – for a total of about 241,000 that are likely in need of affordable housing or some level of assistance with housing costs.

As shown in Exhibit IV-27, the cost of new housing in Indiana has been on an upward trend since 1990, as measured by the value of the housing constructed when units are permitted. These trends suggest that new housing is unlikely to grow more affordable in future years. However, the new housing may free up affordable housing currently occupied by households who could pay more for housing costs.

Between 1990 and 2002 the average cost for single family units increased by approximately 52 percent and 5 of more units of multifamily housing increased by 74 percent. The average annual cost increase was 3.6 percent for single family housing and 5.1 percent for 5 or more units of multifamily housing for the same time period.

The following exhibit shows the annual average building cost for single family and 5 or more units of multifamily housing between 1990 and 2002.

Exhibit IV-27.
Average Building Cost for Single Family and Multifamily 5 or More Units in Indiana, 1990 to 2002



Note: Permit authorized construction.

Source: U.S. Census Bureau and Indiana Business Research Center.

If the State experiences the same level of population growth between 2002 and 2005 as it has so far this decade and the distribution of housing prices remains that same as it was in 2000, (which is unlikely given recent trends – therefore this would be a best case scenario) an estimated 367,000 low-income households will be cost-burdened and in need of some type of housing assistance in 2005.

Disproportionate need. The 2000 Census reports the median rent and mortgage costs as a percentage of household income by race and ethnicity. These data are useful in identifying households (by race and ethnicity) that may have a disproportionate level of affordable housing need. If households of a certain race or ethnicity are more likely to be cost-burdened than others, they are likely to have greater housing needs than other households.

Exhibit IV-28, below, shows the median rent and housing costs for households with mortgages by race and ethnicity in 2000.

Exhibit IV-28.

Median Housing Costs as a Percentage of Income, by Race and Ethnicity, 2000

Household Race/Ethnicity	Rent/Income	Mortgage/Income
White	23.5%	19.1%
African-American	26.5%	21.5%
American Indian/Alaskan Native	25.7%	20.9%
Asian	23.3%	19.9%
Native Hawaiian/Pacific Islander	26.1%	19.8%
Some Other Race	21.8%	20.4%
Two or more races	26.7%	21.0%
Hispanic/Latino	22.1%	20.0%

Source: U.S. Census of the Bureau, 2000.

The comparison of housing costs as a percent of income by race and ethnicity shows modest differences between the housing cost burden. Whites, Asians, and Hispanics/Latinos pay a lower percentage of their incomes in rents and mortgages than African-Americans, American Indians/Alaskan Natives and individuals of other races. The difference is largest for renter households, particularly for African-American, Native Hawaiian/Pacific Islander, and Two or More Races households.

Barriers to Affordable Housing

The State of Indiana traditionally has followed the philosophy that local leaders should have control over local issues. As such, most of the laws affecting housing and zoning have been created at the urging of local jurisdictions and implemented at local discretion. Indiana is a "home rule" State, meaning that local jurisdictions may enact ordinances that are not expressly prohibited by or reserved to the State.

Tax policies. Indiana communities' primary revenue source is the property tax. Taxes are based on a formula that assesses replacement value of the structure within its use classification. Single family homes are assessed as residential; multi family property is assessed as commercial. Condition, depreciation and neighborhood are factored in to the tax assessment. Commercial rates are higher than residential rates; however, real estate taxes are a deductible business expense.

The state government also collects a very small part of the property tax, at a rate of one cent per \$100 assessed value. The property tax is administered on the state level by the Indiana Department of Local Government Finance, and on the local level by the county and township assessors, the county auditor and the county treasurer.

Zoning ordinances and land use controls. There is no State level land use planning in Indiana. State enabling legislation allows jurisdictions to control land use on a local level. Cities or counties must first establish a planning commission and adopt a comprehensive plan before enacting a zoning ordinance. A recent study completed by the Indiana Chapter of the American Planning Association identified that roughly 200 cities and counties have planning commissions in place.

In addition to local land use controls, certain federal or State environmental mandates exist. For instance, residential units may not be constructed in a designated flood plain. The Indiana Department of Environmental Management directs most of the Environmental Protection Agency regulations for the State.

Certain neighborhoods have been designated historic districts by local communities. In these areas, exterior appearance is usually controlled by a board of review, which is largely made up of area residents. As with zoning, there is an appeals process for review of adverse decisions. These types of land use controls should not preclude development of low income housing; they simply regulate the development so that it does not adversely affect the existing neighborhood.

Some developments impose their own site design controls. Such controls are limited to a specific geographic area, enforced through deed covenants, and designed to maintain property value and quality of life. For example, apartment complexes may be required to provide sufficient "green space" to allow for children's play areas.

Many local zoning codes require an exception or variance for the placement of manufactured housing. This could make it more difficult to utilize manufactured housing as an affordable housing alternative.

The Indiana Code (IC 36-7-4-1326) provides local governments the ability to remove a possible barrier to affordable housing. The code states an impact fee ordinance may provide for a reduction in an impact fee for housing development that provides sale or rental housing, or both, at a price that is affordable to an individual earning less than 80 percent of the median income for the county in which the housing development is located.

Subdivision standards. The State of Indiana authorizes jurisdictions to develop local subdivision control ordinances. Legislation describes the types of features local governments can regulate and provides a framework for local subdivision review and approval. Subdivision ordinances can drive up the costs of housing depending on the subdivision regulations. For example, large lot development, extensive infrastructure improvements such as sidewalks or tree lawns can add to development costs and force up housing prices. The State encourages local communities to review local subdivision requirements to be sure they do not impede the development of affordable housing.

Building codes. The State has adopted a Statewide uniform building code based on a recognized national code. These minimum building construction standards are designed solely to protect the health and welfare of the community and the occupants. Planners point out that it is not uncommon for builders to exceed the minimum building code.

The recently updated State building code includes a provision aimed at ensuring compliance with the accessibility standards established under the federal Americans with Disabilities Act (ADA).

Permits and fees. Local building permits, filing and recording fees, fees for debris removal, and fees for weed removal are the most common fees and charges applicable to housing development. All appear to be nominal amounts and not sufficient to deter construction or rehabilitation of low- and moderate-income housing. Some exceptions may apply to the provision of manufactured housing.

Growth limits. Few communities within Indiana are facing insurmountable growth pressures. Some communities have been forced to slow growth so that municipal services and infrastructure can be expanded to support new growth areas. However, these measures address temporary gaps in service and do not reflect long-term policies.

Excessive exclusionary, discriminatory or duplicative policies. In developing this housing strategy, the State has not been able to identify any excessive exclusionary, discriminatory or duplicative local policies that are permitted by State laws and policies.

Ameliorating negative effects of policies, rules or regulations. Over the next five years, Indiana expects to see further consolidation of housing programs at the State level and concurrently, maturation of the associated programs and policies, as well as further decentralization of service provision. Interviews and regional forums did not surface many concerns regarding State and local policies as deterrent to the production of affordable housing.

Summary of Findings

The following exhibit is a summary of key findings for Indiana in 2002 as reported throughout this section. The exhibit shows findings concerning housing condition, affordability and HUD's CHAS tables.

Exhibit IV-29.
Summary of Findings, Indiana, 2002

Housing Condition		Households
% of households overcrowded		1.9%
less than or equal to 30% of AMI		1.7%
31% to 50% of AMI		2.2%
51% to 80% of AMI		1.6%
81% to 100% of AMI		2.5%
greater than 100% of AMI		1.8%
Units lacking:		
Complete plumbing		8,813
Complete kitchen facilities		13,000
Lead-based paint risk:		
Renters		131,476
Very low income (less than 30%)		131,152
Affordability		Households
Cost burdened owners		239,712
Cost burdened renters		238,114
Cost burdened households with disabled members		201,840
Households "underpaying" for housing		
51% to 80% of AMI		111,142
81% to 100% of AMI		138,348
CHAS	CDBG	HOME
Households with housing problems:		
Elderly (1 & 2 members)	332,364	338,363
Small related (2 to 4)	728,966	729,069
Larger related (5 or more)	137,066	137,125
All other households	222,720	230,014
Total	1,421,116	1,434,571

Source: U.S. Census Bureau and BBC Research & Consulting.

PHA Survey Results

To better understand the demand for rental assistance, a mail survey of Public Housing Authorities (PHAs) in non-entitlement areas in the State was conducted as part of the Consolidated Plan process. The survey asked about Section 8 Housing Choice (HC) voucher usage by individual housing authorities, and was administered between January and February 2004. Forty-three surveys were mailed and 29 responses were received, a 67.4 percent response rate.

Of the housing authorities that administer HC vouchers, the average number administered at the time of the survey was 183, with a low of 5 and a high of 417 (6 of the respondent PHAs did not administer any vouchers). The utilization rate was overwhelmingly high, with the average being 99 percent. No single housing authority indicated utilization below 92 percent. The survey results also indicate that waiting lists are typical, and the wait list length is generally longer than one year. The average number of households on the waiting list was 117, with most housing authorities indicating a wait of greater than six months for all sized units. Most wait lists were in the one to three bedroom categories.

Exhibit 1 and 2 below, show the waiting lists of the respondent PHAs in terms of number of households and months. The survey also asked for the average number of households on authority waiting lists in 2003. Exhibit 3 shows the average number of households on the waiting list in 2003 by PHA.

Exhibit 1. Households on Waiting Lists, February 2004

City	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total on Waiting List
Anonymous	0	14	60	42	5	121
Bedford	0	18	12	18	1	49
Charlestown	0	6	16	4	0	26
Crawfordsville	0	139	181	100	5	425
Kendallville	0	5	25	10	0	40
Knox	0	79	107	58	0	244
Logansport	0	81	57	42	10	190
Marshall	0	78	99	48	4	229
New Castle	0	109	152	77	4	342
Richmond	3	18	63	75	5	164
Rome	0	0	0	5	5	10
Sellersburg	0	7	15	8		30
Seymour	0	39	66	26	2	133
Sullivan	0	12	20	6	4	42
Tell City	0	14	5	4	2	25
Union City	0	8	14	17	4	43
Vincennes	0	108	80	50	8	246
Total by Size	3	735	972	590	59	2,359

Source: BBC Research & Consulting.

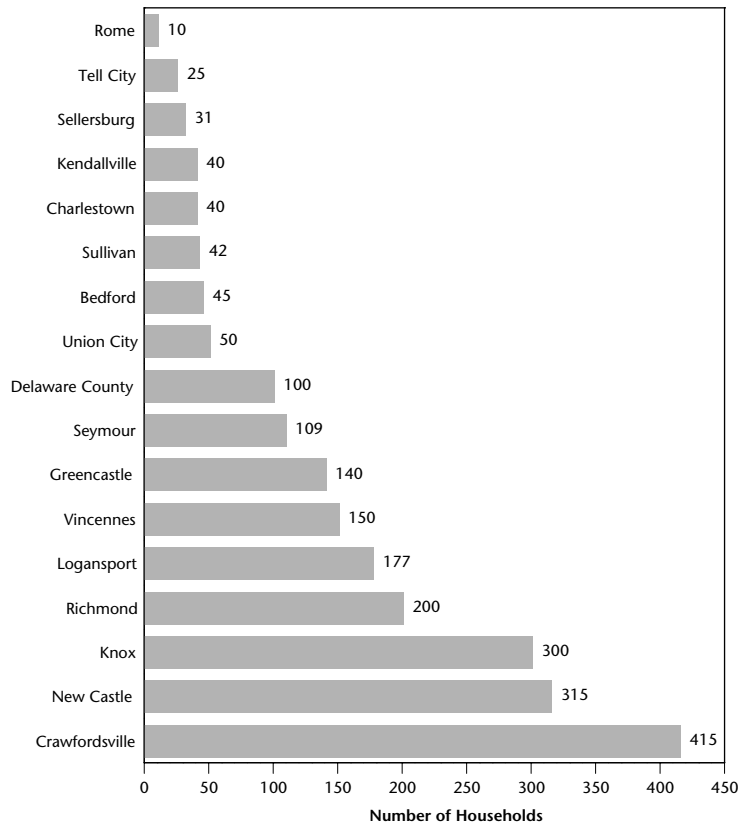
Exhibit 2.
Months to Reach Top of Waiting List, February 2004

City	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
Anonymous	0	6	6	6	6
Bedford	0	12	6	45	8
Charlestown	0	6	6	6	0
Crawfordsville	0	>12	>12	>12	>12
Delaware County	9 to 12	9 to 12	9 to 12	9 to 12	9 to 12
Elwood	>6	>6	>6	>6	>6
Kendallville	0	18	20	20	0
Knox	0	12	12	12	0
Logansport	0	12	12	12	12
Marshall	0	10	19	19	24
New Castle	0	4	6	5	6
Richmond	12 to 18	12 to 18	12 to 18	12 to 18	12 to 18
Rome	0	0	0	12 to 24	12 to 24
Sellersburg	0	6 to 12	12	12	0
Seymour	0	12	12	12	12
Sullivan	0	4	4	4	4
Union City	0	6	5	5	5
Vincennes	0	6 to 12	6 to 12	6 to 12	6 to 12

Source: BBC Research & Consulting.

Exhibit 3.
Average Number of Households on Waiting List, 2003

Source:
BBC Research & Consulting.



Of the respondents to the survey, 65 percent state that HC voucher utilization had fallen below 95 percent during at least one prior year. The majority of lower utilization years were from 2000 to 2002. The primary reasons for lower utilization provided are, in order of frequency response: unit shortages, poor management of the HC voucher programs, and low HUD-specific Fair Market Rents. Approximately \$485,000 in voucher funding was returned to HUD. The unit shortages during years 2000 and 2001 may have been related to the phenomenal economics of those years. Rental owners were probably less likely to want to accept vouchers at that time. Six housing authorities have had to return portions of voucher funding to HUD, with the primary reason of low utilization.

Most households on waiting lists for vouchers are families with children that are living in the lowest median income bracket. On average, 76 percent of the PHAs voucher holders earn 30 percent of Area Median Income (AMI) or less, and 69 percent of voucher holder households are families with children. The second largest household group is non-elderly persons with disabilities, averaging 16 percent of housing authority waiting lists. However, only five of respondent housing authorities have ever applied for vouchers designated for persons with disabilities. Most housing authorities accessible units administered are one and two bedroom units. Exhibit 4 shows the types of households on the waiting lists as estimated by the PHAs.

Exhibit 4.
Estimated Percentage of Households on Waiting List, by Household Type

Cities	Families With Children	Elderly without Disabilities	Elderly with Disabilities	Non-elderly with Disabilities
Anonymous 1	90%	1%	1%	0%
Anonymous 2	69%	N/A	N/A	N/A
Anonymous 3	75%	5%	5%	15%
Bedford	60%	10%	20%	70%
Charlestown	80%	0%	10%	10%
Crawfordsville	64%	8%	3%	10%
Delaware County	80%	10%	5%	5%
Elwood	80%	15%	0%	5%
Greencastle	58%	6%	5%	14%
Kendallville	94%	3%	2%	1%
Knox	60%	25%	10%	5%
Logansport	54%	2%	2%	33%
Marshall	58%	2%	5%	35%
New Castle	49%	18%	14%	19%
Richmond	64%	21%	12%	3%
Rome	80%	10%	0%	10%
Sellersburg	23%	0%	7%	0%
Seymour	71%	1%	6%	42%
Sullivan	62%	0%	7%	14%
Tell City	80%	10%	10%	0%
Union City	50%	30%	10%	10%
Vincennes	44%	9%	11%	36%

Source: BBC Research & Consulting.

It appears that the need is high for both additional affordable rental units and more HC vouchers. Respondents were evenly divided between the need for HC vouchers versus additional affordable housing, with 14 percent indicating that there was a need for both. Exhibit 5 shows how the PHAs responded to the question about TBRA and affordable units need.

**Exhibit 5.
Greater Need for
Tenant Based Rental
Assistance versus
Affordable Units**

Source:
BBC Research & Consulting.

	Greater Need For Tenant Based Rental Assistance	Greater Need For Affordable Units
Anonymous		✓
Bedford		✓
Charlestown		✓
Delaware County		✓
Elwood		✓
Greencastle	✓	✓
Kendallville	✓	✓
Knox	✓	✓
Logansport		✓
New Castle	✓	
Peru	✓	
Richmond	✓	
Rome		✓
Sellersburg	✓	
Seymour	✓	
Sullivan	✓	
Tell City	✓	✓
Union City	✓	
Vincennes		✓

According to the survey, families, particularly large families with three or more children are having difficulty finding units that accept vouchers. Of the 62 percent of respondents answering 'yes' to applicants having difficulty, 35 percent indicated that large families had the most difficulty. Exhibit 6 lists the types of households having the most difficulties finding housing, according to the PHAs. Other responses were individualized to each respondent's area, with no particular trends of note.

**Exhibit 6.
Types of Households
Having Difficulty Finding
Units That Accept
Vouchers**

Source:
BBC Research & Consulting

City	Difficulty
Anonymous	Transient households and Single Women
Bedford	Disabled; Families with more than three children
Delaware County	Disabled and Elderly persons, due to public transportation and services issues
Greencastle	Poor rental history; Bad Credit
Knox	Tenants with history of abusing properties
Logansport	Large Families
New Castle	Handicapped (accessible units)
Peru	Large Households - Four bedrooms and up
Richmond	Large Families (four + children); Race is a factor in some neighborhoods
Rome	Large Families
Seymour	Large Households - Four bedrooms and up
Sullivan	Those with poor credit; poor landlord references

2004 Indiana Consolidated Plan PHA Survey

The State of Indiana Department of Commerce, Indiana Housing Finance Authority and the Family and Social Services Administration are currently preparing the 2004 Consolidated Plan for the U.S. Department of Housing and Urban Development. This plan will include a housing market analysis, which will examine the need for affordable rental units and vouchers in the State. To aid in this effort, please fill out this brief survey and return by February 15, 2004. We appreciate your assistance.

1. As of December 31, 2003, how many Housing Choice vouchers did your Housing Authority administer? _____

2. As of December 31, 2003 what was the utilization rate of your Housing Choice vouchers? _____

3. As of December 31, 2003, how many households were on your waiting list for Housing Choice vouchers by unit size? On average, how long does it take a household to reach the top of the waiting list? Please complete the chart below:

Unit Size	Length of Waiting List (Number of Households)	Time to Reach Top of Waiting List (months)
Studio/Efficiency		
1 bedroom		
2 bedroom		
3 bedroom		
4 bedroom		
More than 4 bedrooms		

4. During 2003 what was the average number of households on your waiting list for Housing Choice vouchers? _____

5. Has your Housing Authority's Housing Choice voucher utilization rate ever fallen below 95 percent?

☐ Yes ☐ No

5a. If so, during what year? _____

5b. If so, what was the primary reason for the low utilization rate? _____

6. Has your Housing Authority ever had to return part of its voucher funding to HUD because of low utilization?

6a. If yes, what year did this occur? _____

6b. If yes, how much funding was recaptured (by year)? _____

6c. If yes, Please explain the reason for the recapture. _____

7. By percent, roughly how many households on your current waiting list for vouchers earn 30 percent of median income or less, between 31 and 50 percent of median income and between 51 and 80 percent of median income?

Earn 30 percent of area median income (AMI) or less _____%

Earn between 31 and 50 percent of AMI _____%

Earn between 51 and 80 percent of AMI _____%

Other (specify) _____%

Total **100%**

8. By percent, roughly how many households on your waiting list for vouchers are families with children, elderly or people with disabilities?

Families with children _____% of total households

Elderly (without disabilities) _____% of total households

Elderly (with disabilities) _____% of total households

Non-elderly with disabilities _____% of total households

9. What is the greater need in your community—tenant based rental assistance (e.g., rental vouchers) or additional affordable rental units? Please explain. _____

2004 Indiana Consolidated Plan PHA Survey

10. How easy is it for the average applicant to find a unit in your community that accepts vouchers?

- ☐ Very easy ☐ Difficult
☐ Easy ☐ Very Difficult

11. Is it particularly difficult for individuals or households with certain characteristics to find a unit that accepts vouchers? If so, please list those characteristics. _____

12. How many accessible public housing units does your Housing Authority administer, by bedroom size?

Number of Bedrooms	Number of Accessible Units
Studio/Efficiency	
1 bedroom	
2 bedroom	
3 bedroom	
4 bedroom	
More than 4 bedrooms	

13. Does your Housing Authority provide funds for adaptive modifications of Section 8 funded units in the Housing Choice Voucher program?

- ☐ Yes ☐ No

14. Has your Housing Authority ever applied for vouchers designated for persons for disabilities?

- ☐ Yes ☐ No

14a. If yes, were these vouchers well utilized? Why or why not? _____

15. Do you permit applicants to reject public housing units and remain on your waiting lists?

- ☐ Yes ☐ No

16. Do you have a policy of evicting tenants the first time they violate resident rules?

- ☐ Yes ☐ No

Contact Information (Optional)

PHA Name: _____

Address: _____

Contact Person: _____

Phone/e-mail: _____

Would you like to receive a copy of the State Consolidated Plan Executive Summary?

- ☐ Yes ☐ No

Would you like to receive information about the State Consolidated Planning process?

- ☐ Yes ☐ No

For Further Questions and Information, Please Contact:

Heidi Aggeler
 BBC Research & Consulting
 3773 Cherry Creek North Drive, Suite 850
 Denver, Colorado 80209
 phone: 800.748.3222, ext 256
 fax: 303.399.0448
 e-mail: aggeler@bbcresearch.com

Thank You for Your Assistance!

SECTION V.

Special Needs Populations

SECTION V.

Special Needs Populations

Introduction

This section discusses the housing and community development needs of special needs populations in Indiana, pursuant to Sections 91.305 and 91.315 of the State Government Consolidated Plan Regulations.

Due to lower incomes and the need for supportive services, special needs groups are more likely than the general population to encounter difficulties finding and paying for adequate housing and often require enhanced community services. The groups discussed in this section include:

- Youth;
- The elderly;
- Persons experiencing homelessness;
- Persons with developmental disabilities;
- Persons with HIV/AIDS;
- Persons with physical disabilities;
- Persons with mental illnesses and/or substance abuse problems; and
- Migrant agricultural workers.

A list of data sources used in assessing the needs of these populations is provided at the end of this section.

Individuals with extremely low- and very low-incomes are also considered a special needs group by many policymakers and advocates. Because the needs of this group are given attention in other sections of this report, low-income populations are not included here as a specific special needs group.

Summary

- Each year there are approximately 800 youth who are “aging out” of foster care in Indiana. Research reveals that 3 out of 10 of the nation’s homeless are former foster children, and homeless parents who have a history of foster care are almost twice as likely to have their own children placed in foster care as homeless people who were never in foster care. The need for safe, affordable housing is a central issue identified by young adults who have aged out of foster care. These young adults need transitional housing with supportive services, rental vouchers with supportive services, and affordable housing.
- There were 757,451 elderly persons living in Indiana in 2002. The 2000 Census reports that 35 percent of senior homeowners and 98 percent of senior renters are cost-burdened (paying more than 30 percent of their income to housing). Approximately one-third of seniors age 65 to 74 indicated disability status in the 2000 Census; this statistic rises to over one-half of seniors over age 75. With the total elderly population projected to grow to 760,728 by 2005 and 809,460 by 2010, the likely trend is for the magnitude of these needs to increase.
- The 2000 Census point-in-time count of emergency and transitional shelters identified approximately 2,384 persons experiencing homelessness in shelters throughout the State. The latest data from the Continuum of Care (2003) estimate the Statewide population of persons experiencing homelessness at 15,177. According to Census, an estimated 460,000 households are cost-burdened – i.e., their rent or mortgage payment constitutes more than 30 percent of their monthly income – placing them at risk of homelessness.
- According to a 2000 study conducted by the Association of Rehabilitation Facilities of Indiana, there are approximately 70,000 persons with developmental disabilities in Indiana. The trend in serving these individuals is to move away from institutional care toward small group homes and integrated community settings. Through objectives and goals established as a result of the recent Olmstead initiative, Indiana is making considerable progress toward the full community integration of persons with developmental disabilities.
- The AIDS Housing of Washington completed the *Indiana HIV/AIDS Housing Plan* in February 2003. According to the study, as of June 2002 there were 3,368 people living with AIDS and another 3,668 people living with HIV who have not been diagnosed with AIDS. According to Indiana’s Department of Health there were 7,036 people living with HIV in Indiana as of December 2003. Data also indicate that between 2,150 and 3,853 people living with HIV/AIDS in Indiana need housing, but there are currently only 143 dedicated facility-based units (79 of these units are located in the City of Indianapolis) to persons living with HIV/AIDS. An additional 98 persons receive long-term rental assistance and 203 persons receive short-term rental assistance through HOPWA from July 1, 2003 to February 2004. Persons with HIV/AIDS typically face a number of challenges in obtaining housing that meets their needs (e.g., requirements for health services).

- The 2000 Census reported 1,052,757 Hoosiers over the age of five who indicated having some type of disability. Approximately 734,000 of these persons reside in nonentitlement areas. Of all types of disabilities, physical disability is the most prevalent, comprising one-quarter of all types of disabilities. According to a recent research report by the Governor's Council for People with Disabilities, the top three "key issues" for Indiana residents with disabilities include: expanding home and community based services; shortening waiting lists for community based services; and fully utilizing Vocational Rehabilitation Services funds.
- There are approximately 236,000 individuals with mental illnesses in Indiana, 68,000 of whom are low-income and are the target of programs offered by the Division of Mental Health. The Division serves an additional 25,000 people at any one time with substance abuse problems. A 2001 survey by the Indiana National Alliance for the Mentally Ill (NAMI) of Community Mental Health Centers (CHMC) identified over 1,900 beds throughout the State for persons with mental illness. Although the survey found a near even number of units in entitlement and nonentitlement areas, funding of housing programs and other resources for these individuals is weighted toward cities.
- There are no recent studies of the needs of migrant agricultural workers in Indiana. Findings from studies at the national level estimate the number of migrant agricultural workers in the State to be about 8,000. Although housing for these workers is historically provided by the growers, this housing is often overcrowded, with several families residing under one roof. Many of the existing housing units are of substandard quality and are not well maintained. The housing needs of migrant agricultural workers are hard to quantify due to the lack of data at the State level. However, national data indicate that the need for affordable quality housing is great.

Youth

Because of growing concerns Statewide of the needs of youth in transition from out-of-home care, the Consolidated Plan is including this group as a special needs population for the first time in the 2004 Update. This section details the most current research about the needs of this population.

Population. Each year there are between 20,000 and 25,000 youth aged 16 and older that transition from the foster care system to independent living nationwide. Youth in foster care often do not get the help they need with high school completion, employment, accessing health care, continued educational opportunities, housing and transitional living arrangements. Typically, the foster care system expects the youth to live on their own at age 18. Indiana has approximately 800 youth who are released from substitute care each year.

On March 27, 2000, the Census identified approximately 2,384 persons staying in emergency and transitional shelters of this type Statewide. Of these persons, 26 percent were under 18 years of age.

Outstanding need. The Social Science Research Center of Ball State University of Indiana completed a study, *Indiana Independent Living Survey of Foster Youth*, in December 2003 of foster youths. The survey asked 247 youth in foster care (ages 14 to 18 years) from more than 40 of the 92 counties in Indiana information regarding the characteristics, experiences and needs of young people and offered these individuals the opportunity to voice their opinions regarding needs and resources. Approximately 28 percent of the youth lived in rural areas and the remaining in urban areas.

Over half (52.5 percent) of the youth stated that they did not know where they were going to live when emancipated. Additionally, 108 youths (44.3 percent) indicated they were *not* aware of housing options available upon emancipation. The youth who did know of housing options said they were informed mostly by their Division of Family and Children case manager (37.5 percent) or their independent living program staff (25.7 percent).

Almost three-fourths (74 percent of those surveyed) stated that they would stay with their foster parents, if possible, when asked if they would like to stay with their foster parents after emancipation or aging out. On average, the youth wanted to stay 2.06 years.

The study also reports Indiana youths who participated in focus groups in 2002 expressed an interest in better housing options when they left care. They stated they would need furnished housing and possibly roommates to share the bills. A suggestion by the participants included housing similar to the secure housing provided for seniors.

The study also provided recommendations on housing options for youth. These included:

- Given the cost of housing (in 2002, fair market rent for a two bedroom apartment in Indiana was \$568 per month, or 68.9 percent of the average monthly income for a worker earning federal minimum wage – CWLA, 2003), it is important that “budgeting” becomes an essential part of independent living programming and services.
- Participate and cooperate fully with the Consolidated Plan Coordinating Committee as they begin research for the FY 2004 update.
- Continue statewide representation at the annual Consolidated Plan meetings.
- Educate local housing authorities and local offices of the Division of Family and Children about foster youths being an eligible recipient of a Family Unification Program (FUP) voucher.
- Encourage those communities that have FUP vouchers to designate a certain number for those young people aging out of foster care.
- Support and encourage state agencies and local housing authorities to apply to HUD for FUP vouchers.
- Encourage service providers to apply for federal funds to operate Transitional Living Programs.
- Increase the number of service providers that provide Chafee room and board services, especially in the rural areas of the state.
- Survey services providers regarding programming obstacles they face when helping a youth transition into housing arrangements.

National studies have shown that most youth transitioning from in-home care to self-sufficiency do not appear to have the needed supports to be self-sufficient. Since 1986, the federal government has provided funding for states to develop independent living programs to prepare foster care youth for adulthood. Independent living services typically offer assistance with money management, health and safety, locating and maintaining housing, food and nutrition, community resources, career planning, and social skills development.

However, national studies of youth who have left foster care show that 12 to 18 months after leaving foster care:

- 40 percent end up homeless
- 50 percent are unemployed
- 37 percent do not have a high school diploma or GED
- 33 percent are on public assistance
- 30 percent have children
- 27 percent of the males and 10 percent of the females have been incarcerated

Research also shows that three out of ten of the nation's homeless are former foster children, and homeless parents who have a history of foster care are almost twice as likely to have their own children placed in foster care as homeless people who were never in foster care. Several studies document that anywhere from 10 to 25 percent of former foster youth are homeless for at least one night after they leave foster care.

The need for safe, affordable housing is a central need identified by young adults who have aged out of substitute care. These young adults need to have transitional housing with supportive services, rental vouchers with supportive services, and affordable housing.

In 2002, the Casey Family Programs Foundations for the Future released a framework for youth transitioning from foster care to successful adulthood. It mentioned finding and maintaining good living situations as one of the biggest challenges for youth leaving foster care. The framework for housing includes:

- Provide life skills classes that teach youth how to live independently.
- Provide opportunities for youth to practice living on their own.
- Increase staff knowledge of housing issues, including knowledge of available resources to accommodate housing needs.
- Create alliances with housing providers.
- Ensure that youth have a safe, affordable place to live when leaving care.

In 2002, the Jim Casey Youth Opportunities Initiative sponsored a study exploring public knowledge and perceptions about the challenges facing youth leaving foster care. The main findings of the study were:

- The majority of Americans say they know little about the foster care system and the issues facing its alumni. Americans also have mixed feelings about how well the foster care system serves those in its care.
- Most Americans agree that age 18 is too young for people (including either youth leaving foster care or other youth) to be completely on their own. Most appreciate the unique challenges that foster care alumni face in their transition to adulthood.
- Americans believe it is important to provide assistance to those aging out of foster care.

Legislation. The national IV-E Independent Living Skills Initiative of 1986 responded to concerns about the poor outcomes of youth emancipating out of foster care. The 1986 law and subsequent amendments provide for emancipation skills training to youth in foster care and post-foster care up to age 21. The Foster Care Independence Act of 1999 (FCIA) established the John H. Chafee Foster Care Independence Program and was passed to strengthen states' capacity to deliver independent living services to foster, independent and former foster youth. The legislation:

- Doubled Federal funding for the Independent Living Program to \$140 million per year.
- Required states to use some portion of their funds for assistance and services for older youths who have left foster care but have not reached age 21.
- Allowed states to use up to 30 percent of their Independent Living Program funds for room and board for youth's ages 18 to 21 who have left foster care.
- Allowed states to extend Medicaid to 18, 19, and 20-year olds who have been emancipated from foster care.

The Governor's Commission on Home and Community-Based Services released a report June 2003 discussing the many barriers and actions steps needed to shift the balance of long-term care services in Indiana. Twenty-eight Actions were presented to serve as a blueprint for reform in Indiana. Two of the Actions focused on children at-risk and are as follows:

- The Family and Social Services Administration should assist each Indiana community to implement an integrated and unified system of care that is organized to respond to the needs of children who are at-risk of long-term out of home placements. A system of care is a "comprehensive spectrum of services and supports that are organized into a coordinated network to meet the multiple and changing needs of individuals and their families.
- The Governor must issues a clear statement that identifies an on-going commitment by the State of Indiana to early identification and assessment of children who need services as well as a comprehensive prevention and early intervention strategy for Hoosier children.

Resources. The types of resources available to individuals who are transitioning out of foster care in Indiana include the following:

- Young adults, 18-20 years of age, voluntarily receiving independent living services, must undergo Energy Education Training. The training covers such topics as, overall home energy use, space heating, adjusting thermostats, water heating, hot water heaters, lighting appliances, and heating leaky space. In addition to each training, each youth also is given an Energy Conservation Kit that includes such items as, an energy efficient shower head, faucet aerators, compact fluorescent light bulbs, and a Conservation Action Kit booklet to guide the young adults through the installation and assessment of energy savings potential.
- Emancipation Kits (including items, such as a tool kit, towels, pot and pans, etc.) are given to youth aging out of the foster care system. A Resource Card, listing important telephone numbers of agencies is also given to youth upon discharge from care. Helpful numbers listed on the laminated card include, the Family Helpline, FSSA General information, Runaway National Switchboard, Indiana Workforce Development and many others.
- Agencies providing housing services, either directly or by referral, include:
 - education regarding the range of housing options, budgeting for consistent payments of rent to assure a positive rental history;
 - education on tenant rights and responsibilities;
 - education to develop understanding of the importance of following apartment communities rules and regulations policies;
 - advocacy on behalf of youth for affordable appropriate housing;
 - assistance with obtaining safe, growth enhancing living environment suitable to the needs of the youth and his/her level of functioning; and
 - receives formal supervised independent living services where the youth is under the supervision of an agency and receiving agency financial support, but without 24-hour adult supervision, as appropriate and outlined in the case plan.
- Each year workshops and youth conferences are held throughout the state for the youth. Two computer workshops are held to increase self sufficiency. Upon successful completion, the youth leaves with the computer, printer, software, power strip, and text book. There are also two youth conferences held each year discussing employment services, housing, post secondary and training opportunities, budgeting and living independently.

- HUD's Family Unification Program (FUP), managed by the Indiana Family Social Services Administration, provides housing assistance for youth ages 16 to 21 who have left foster care at age 16 or older. These vouchers are time-limited so that a youth can only have the voucher for 18 months. The agency that refers a youth to this program provides aftercare to each youth when they enter housing using a voucher. There are an array of services available to youth in housing to promote their successful transition to adulthood.
- The Transitional Living Program is a part of the U.S. Department of Health and Human Services Family and Youth Services Bureau's Runaway and Homeless Youth Program. The TLP provided funding to the Children's Campus, Inc in Mishawaka. The Children's Campus treats severely emotionally disturbed children, adolescents and their families who require compassionate and specialized care, in residential environments ranging from secure care to independent living.
- There are 6 youth shelters in Indiana for persons 17 years and younger throughout the State. In Indiana persons 18 years and over are considered an adult and can receive services at any shelter for adults. IHFA has given three awards for youth shelters for a total allocation of \$980,000. The awards were made to the following counties:
 - Harrison County was awarded \$200,000 in CDBG funds in January 2004 for 10 units of a youth shelter;
 - The Bashor Home in Elkhart County was awarded \$480,000 in January 1999 to provide permanent housing to children under the age of 21 that are either wards of the State or homeless; and
 - Dearborn County was awarded \$300,000 in November 1998 for rehabilitation of a youth shelter.
- Indiana is using the John H. Chafee Foster Care Independence Program funding for Room and Board, Independent Skill Services and Youth Advisory Boards for youth ages 14 to 21 who are transitioning from foster care. Services are available based on availability of funding in each county. All 92 counties have included IL services in their budgets to manage the 20 percent match but all have limited funds. Youth that will age out will most likely take priority over those that do not but are still eligible for services. Except for Room and Board, IL skill services are available to youth that were in foster care at any time after the age of 14 and probation youth that were in foster care after that age of 14 and were IV-E eligible. Room and Board services have been capped at \$3,00 per eligible youth between age 18 and 21. When youth receive Room and Board services, it is expected that the youth will be capable of becoming self-sufficient within a 6 month period with skill services being provided also. The Chafee allotment for Indiana was \$2,184,711 in 2004 and is distributed by the Division of Family and Children.
- The Education and Training Voucher Program (ETV) is a recent federal program offering financial assistance, up to \$5,000 per year not to exceed the cost of attendance, to eligible Indiana youths to help with post secondary education (college) or job

training. The U.S. Department of Health & Human Services awarded the State of Indiana \$712,952 in 2004 and is distributed by the Division of Family and Children.

The Elderly

Total population. According to 2002 U.S. Census population estimates, there were 757,451 persons over the age of 65 living in Indiana in 2002, a 0.6 percent increase over the 2000 total of 752,831. According to commerce data forecast, the State's elderly population is expected to grow to 760,728 in 2005 and 809,460 in 2010, a 6.9 percent increase from 2002. The elderly made up 12.3 percent of the State's population in 2002; by 2010 this is expected to increase slightly to 12.6 percent. Nationally, the elderly constituted 12.3 percent of the total population in 2002, but this share is projected to increase to 20 percent by 2030 as the baby boomers continue to age.

Housing. According to the 2000 Census, 50,034 seniors, or 6.6 percent of the State's elderly population, lived in group quarters, nursing homes included. This is nearly one percentage point higher than the 5.7 percent of seniors nationwide living in group quarters. Nationally, about 4.5 percent of the 65 and older population lived in nursing homes in 2000, with percentages increasing dramatically with age.¹ For example, only 1.1 percent of those aged 65 to 74 nationwide lived in nursing homes in 2000, while 4.7 percent among those aged 75 to 84 years and 18.2 percent of those 85 years and older lived in nursing homes.

Of the seniors residing in group quarters in Indiana, 44,402 lived in nursing homes and the majority of the remaining 5,632 lived in noninstitutionalized group housing. This noninstitutionalized housing most likely represents the less intensive steps in the housing continuum (i.e., congregate care and assisted living).

Of the remaining senior households in Indiana, 79 percent owned their homes in 2000. This was similar to nationwide statistics that showed 78 percent of older residents owning their homes. For individuals 85 years and older, the State homeownership rate dropped to 66 percent, which was slightly higher than the nation (65 percent). Nonetheless, declining homeownership is indicative of both increasing needs for assisted living and the difficulty supporting the burden of homeownership as individuals age. Exhibit V-1 below presents the housing situations of the senior populations in Indiana and the U.S.

Exhibit V-1. Senior Housing In the State of Indiana and the United States, 2000

Note:

Group home figures represent individuals while renter and owner figures are households.

Source:

U.S. Census Bureau, 2000 Census.

Housing Type	State of Indiana	United States
Group quarters population	50,034	1,993,621
Nursing homes	44,402	1,557,800
Other institutionalized	1,478	83,276
Non-institutionalized	4,154	352,545
Owner-occupied households	395,565	17,553,827
Renter-occupied households	102,486	5,080,863

¹ U.S. Census Bureau, "The 65 Years and Over Population: 2000 Census, Census 2000 Brief, October 2001," <http://www.census.gov/prod/2001pubs/c2kbr01-10.pdf>.

Among family households, the proportion of seniors owning their homes is higher, because the figures exclude seniors living alone and those residing in group quarters, such as nursing homes or assisted living facilities. Exhibit V-2 below displays the tenure of seniors by family type.

Exhibit V-2.
Elderly Families by Tenure, Type and Age, March 2000

Family Type and Tenure	65 to 74 Years	Percent 65 to 74 Years	75 Years and Over	Percent 75 Years and Over
Total Families				
Owner Occupied	146,217	32.0%	89,771	88.5%
Renter Occupied	12,642	8.0%	11,656	11.5%
Married Couple Families				
Owner Occupied	127,447	93.9%	71,404	89.8%
Renter Occupied	8,334	6.1%	8,095	10.2%
Male Householder, No Spouse Present				
Owner Occupied	3,581	82.0%	3,628	88.7%
Renter Occupied	788	18.0%	463	11.3%
Female Householder, No Spouse Present				
Owner Occupied	15,189	81.2%	14,739	82.6%
Renter Occupied	3,520	18.8%	3,098	17.4%

Note: The data in this table do not include individuals in group quarters.

Source: U.S. Bureau of the Census, 2000 Census.

Exhibit V-3 on the following page presents the tenure of seniors in non-family households.

Exhibit V-3.
Non-family Elderly by Tenure, Type and Age, 2000

Non-family Household Type and Tenure	65 to 74 Years	Percent 65 to 74 Years	75 Years and Over	Percent 75 Years and Over
Total Non-family Households				
Owner Occupied	68,372	69.8%	91,205	65.2%
Renter Occupied	29,547	30.2%	48,641	34.8%
Male Householder Living Alone				
Owner Occupied	16,448	67.1%	18,596	70.8%
Renter Occupied	8,079	32.9%	7,656	29.2%
Male Householder Not Living Alone				
Owner Occupied	2,072	76.6%	952	76.2%
Renter Occupied	633	23.4%	297	23.8%
Female Householder Living Alone				
Owner Occupied	48,088	70.3%	70,410	63.6%
Renter Occupied	20,362	29.7%	40,349	36.4%
Female Householder Not Living Alone				
Owner Occupied	1,764	78.9%	1,247	78.6%
Renter Occupied	473	21.1%	339	21.4%

Note: The data in this table do not include individuals in group quarters.

Source: U.S. Census Bureau, 2000 Census.

There is an increasing likelihood that seniors, particularly women, will live alone as they age. This is due in large part to the longer life expectancies of women. As shown in the data above, the majority of seniors in nonfamily households live alone. In 2000, of the elderly population aged 65 to 74 and living alone, 26 percent were male and 74 percent were female. This share increases for seniors age 75 and older, to 19 percent of males and 81 percent of females living alone.

In most circumstances, seniors prefer to stay in their own homes as long as they can. If they are nearby, family members can assist with basic care needs, which enables seniors to remain in their homes longer than they would otherwise. However, the heavier work demands placed on many individuals and increased transience of the population in general in recent years has made family assistance more challenging.

Outstanding need. Elderly individuals face a wide range of housing issues, including substandard housing, a need for modifications due to physical disabilities and a lack of affordable housing.

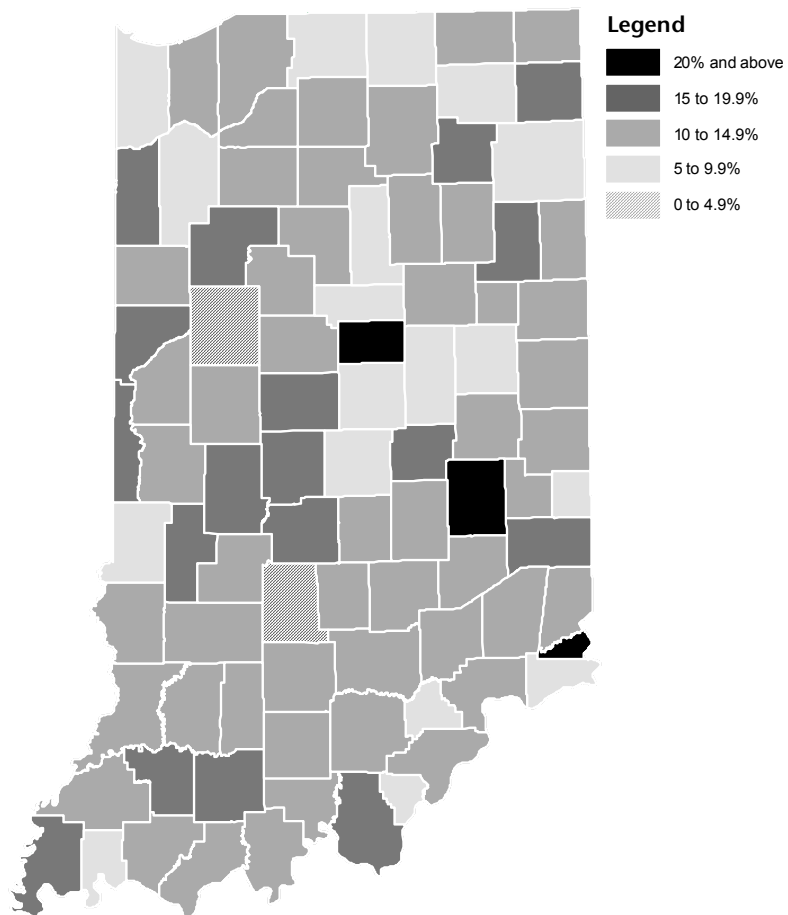
HUD's 1999 Housing Our Elders Report provides the latest national data available on seniors living in housing in need of repair or rehabilitation. HUD reports that in 1999, 6 percent of seniors nationwide lived in housing that needed repair or rehabilitation. Applying this estimate to Indiana, it is estimated that approximately 27,000 elderly residents of nonentitlement areas in Indiana were likely to live in substandard housing in 2000.

Many seniors also live in-homes that need modifications to better serve their physical disabilities or other mobility limitations. This trend is reflected by the 33 percent of seniors age 65 to 74 who indicated disability status in the 2000 Census. The percentage rises dramatically to 54 percent of seniors age 75 years and older. Seniors who indicated disability status had a sensory, physical, self-care, going-outside-the-home or employment disability.

Compounding the needs some seniors face for repair or improvements are the low and/or fixed incomes they have available to make those changes. The U.S. Census Bureau uses a set of income thresholds that vary by family size and composition to determine who is poor. The elderly poverty rate in Indiana, those over the age of 65 whose total income was less than the threshold, was 7.2 percent in 2000. Of the 54,287 elderly in poverty as of the 2000 Census, 801 (or 1.5 percent) were male householders with no wife present and 3,724 (or 6.9 percent) were female householders with no husband present. Exhibit V-4 below displays the percentage of seniors 65 years and older below the poverty level by county.

Exhibit V-4.
Percentage of Seniors 65
years and over Below
Poverty Level, 2000

Source:
U.S. Census Bureau, 2000 Census.



In 1999, over 52,500 elderly households had incomes of less than \$15,000 and an additional 54,000 had incomes ranging from \$15,000 to \$24,999. Exhibit V-5 on the following page illustrates the historical and estimated income distribution of elderly households in Indiana in 1990 and 1999.

Exhibit V-5.
Household Income Distribution of Indiana's Elderly, 1990 and 2000

Households by Income	1990		2000		Percent Change
	Number	Percent	Number	Percent	1990 to 2000
Householders 65 to 74 yrs					
Less than \$10,000	60,219	23%	26,400	10%	-56%
\$10,000 to \$14,999	41,341	16%	26,135	10%	-37%
\$15,000 to \$24,999	70,340	27%	53,974	21%	-23%
\$25,000 to \$34,999	40,544	15%	45,146	18%	11%
\$35,000 to \$49,999	28,818	11%	44,772	18%	55%
\$50,000 to \$74,999	15,432	6%	32,901	13%	113%
\$75,000 to \$99,999	4,069	1%	12,182	5%	199%
\$100,000 and over	3,905	1%	13,539	5%	247%
Householders 75 yrs & over					
Less than \$10,000	73,963	39%	38,320	16%	-48%
\$10,000 to \$14,999	35,343	19%	41,368	18%	17%
\$15,000 to \$24,999	40,886	21%	59,636	25%	46%
\$25,000 to \$34,999	18,841	10%	36,501	16%	94%
\$35,000 to \$49,999	11,706	6%	26,956	11%	130%
\$50,000 to \$74,999	6,413	3%	17,911	8%	179%
\$75,000 to \$99,999	1,855	1%	6,394	3%	245%
\$100,000 and over	1,899	1%	7,390	3%	289%

Note: Household income does not include the value of property.

Source: U.S. Census Bureau, 1990 and 2000 Census.

Households paying more than 30 percent of their income for housing are often categorized as cost-burdened. Data from the 2000 Census indicate that 17 percent of homeowners 65 to 74 years and 18 percent of homeowners 75 years and older are cost-burdened. This statistic increases with seniors who are renters; in 2000, 45 percent of renters 65 to 74 years and 53 percent of renters 75 years and older were cost-burdened.

Resources. Given the variety of housing options available to serve the elderly, and the fact that much of this housing is privately produced, it is difficult to assess the sufficiency of housing for the State's elderly households without undertaking a comprehensive market analysis. However, the same housing problems that exist for the elderly nationwide are also prevalent in Indiana. The most pressing issues for middle- and high- income elderly in the U.S. are finding facilities located in areas they prefer to live, with access to public transit and other needed community services. For low-income elderly, the most difficult issue is finding affordable housing with an adequate level of care.

Numerous federal programs, although not targeted specifically to the elderly, can be used to produce or subsidize affordable elderly housing. These include CDBG, HOME, Section 8, Low-Income Housing Tax Credits, mortgage revenue bonds and credit certificates and public housing. There are also several federal programs targeted specifically at the elderly. Although many of these programs are meant to serve a great need in the U.S. — housing the low-income elderly — they often fall short in providing adequate care and other needed services. A description of the programs widely available to the elderly in the State, along with the utilization of the programs, follows.

Section 202 housing. Section 202 is a federal program that subsidizes the development of affordable housing units specifically for elderly. The program might also provide rental subsidies for housing developments to help make them affordable to their tenants. The developments often provide supportive services such as meals, transportation and accommodations for physical disabilities. The units are targeted to very low-income elderly and the disabled. The Section 202 program has supported over 300,000 units in over 3,500 housing developments nationwide since 1959. Funding from the FY2003 appropriations anticipate the creation of approximately 6,000 new housing units for low-income elderly.²

Equity conversion. The Home Equity Conversion Mortgage Program (HECM) supports repair and rehabilitation of housing and the ongoing needs of individuals by allowing elderly homeowners to recapture some of the equity they have in their homes through reverse mortgage programs. Individuals who own their homes free and clear, or have very low outstanding balances on their mortgages, are eligible for the program as long as they live in their homes. The HECM became a permanent HUD program in 1998.

As of December 2003, more than 80,000 elderly homeowners have chosen HECM loans to help them with their financial needs. Lenders originated a record 18,097 HECM loans during the federal fiscal year (FY2003) ending September 30, a 39 percent increase over the 13,049 loans closed the previous year. The increase in loans was driven by record low interest rates that reduced monthly income to seniors from CDs and similar investments, plus other factors. Also affecting HECM loans is the announcement that as of January 2004, seniors will be able to qualify for larger reverse mortgages due to new higher loan limits. The loan limit increase will enable seniors to convert a greater portion of the equity in their homes into cash to address their financial needs through retirement.

A study of the HECM program, conducted in March 2000 found the following trends:

- HECM borrowers tend to be older and are more likely to be single female households;
- HECM properties are more valuable and owners have a higher equity share;
- HECM properties have a higher share in the West and Northeast regions of the country;
- The program is increasingly located in the center city; and
- Highest penetration is in Utah, Colorado, the District of Colombia and Rhode Island.

Specifically in Indiana, the study found that HECM loans grew 611 percent from 76 loans in 1995 to 540 loans in 1999. Overall, 694 HECM loans had been originated in Indiana by October 1999.

In May 2003 an update to the 2000 report was completed to address several issues that may be inhibiting the reverse mortgage market in general and the HECM market in particular. The report updated the actuarial analysis presented in the 2000 HECM report and examined the potential impact of three legislated changes to FHA's Home Equity Conversion Mortgage Program.

² "Section 202 Elderly Housing." Coalition on Human Needs. <http://www.chn.org/issues/article.asp?Art=330>

There are 36 entities in the State of Indiana that are HUD approved mortgage counselors for the HECM program and eight HUD approved lenders.³ The counseling agencies have offices throughout the State and are generally accessible to most citizens. The lenders are located in Indianapolis, Carmel, Granger, Jasper, Schrevelville, Merrillville and Munster which could limit access to the program for some elderly individuals.

Rural home improvement. The United States Department of Agriculture, through its Rural Housing Service, offers loans of up to \$20,000 with very favorable repayment terms (currently one percent with a 20 year term) to very low-income rural residents with housing repair needs. Grants up to \$7,500 are also available for very low-income rural residents who are 62 years and older and do not have sufficient funds to repay the rehabilitation loans offered.

Medicaid. Another important federal support for elderly housing is the Medicaid program. Typically, Medicaid is used to pay for room and board in nursing homes or other institutional settings. States can seek approval from the Centers for Medicare & Medicaid Services (CMS), previously named Health Care Financing Administration (HCFA), to allow Medicaid to be applied to in-home services and services (but not rents) of assisted living facilities.

Currently in Indiana, Medicaid can be used for in-home services for the elderly and disabled in cases where without the services, an individual would need to be institutionalized. Medicaid waivers can also be used to pay for “environmental modifications” to the homes of elderly or disabled individuals. The State recently received approval from CMS to be able to use Medicaid for assisted living services. In October 2004, the State received a grant of \$500,000 to enhance community-based services for senior citizens and people with disabilities. During 2002 and 2003, Indiana’s Family & Social Services Administration (FSSA) helped create options for more than 4,800 seniors and 2,000 people with disabilities to live in their homes and communities. In the next two years, FSSA plans to help create options for 1,000 more seniors and 1,000 more people with disabilities.

Individuals apply for a Medicaid waiver through their local Area Agency on Aging offices, Vocational Rehabilitation offices, Bureau of Developmental Disabilities Services field offices, and/or Division of Family and Children offices. The lifetime cap for use of Medicaid waivers is currently \$15,000 for disabled individuals and the elderly.

CHOICE. The State of Indiana offers a home health care program (Community and Home Options to Institutional Care for the Elderly and Disabled, or CHOICE) which provides a variety of services to the elderly, including minor home modifications. The goal of the program is to enable the elderly and persons with disabilities to live independently. Similar to the Medicaid waivers, individuals apply for the program through Area Agencies on Aging. (In fact, the State has combined funding from the various State and federal programs that fund services for the elderly and disabled into a bundled program that provides “one stop shopping” for the elderly and disabled). There is currently a \$5,000 lifetime limit for Medicaid funding of CHOICE services for the elderly.

³ The list is limited to Lenders who have done a HECM within the past 12 months, as of March 2004.

In FY 2002, 12,728 Indiana residents benefited from the CHOICE program. The original projections of use of the CHOICE program were far exceeded. Between 1998 and 2002, the number directly served by CHOICE increased by nearly 28 percent. In FY 2002 there were 8,577 people on the waiting list to receive CHOICE services, which is approximately a three to four month wait from the first date of contact.

A 2002 analysis of CHOICE beneficiaries found that approximately 80 percent of those served were 60 years and over and 20 percent were persons with disabilities only (not 60 years and over). Individuals 85 and over accounted for 27 percent of all CHOICE beneficiaries. Most CHOICE recipients lived alone and had incomes of less than \$10,000 per year.

Home modifications. Funding for home modification projects is available to owner occupied households through IHFA's Housing from Shelters to Homeownership program, which uses HOME and CDBG. The Governor's Planning Council for People with Disabilities (GPCPD) recently completed a survey of the scope, status and character of home modification services in Indiana with a grant from IHFA.

Developed by the Indiana Institute on Disability and Community (Center on Aging and Community), the primarily web-based survey was conducted from November 11, 2002 to January 12, 2003. Forty-five organizations providing services in 91 of Indiana's 92 counties responded to the extensive questionnaire. One hundred fifty individuals completed a second survey of 1,700 professionals in the building and trades industry. The results of both surveys were consolidated and interpreted in a final report published April 2003.

Exhibit V-6 presents the current status and future trends of home modification and proposed changes to public policy and programs to better accommodate needs of Hoosiers as derived from the survey and interviews with service providers.

Exhibit V-6.
Results of Indiana Home Modification Survey

Current State of Home Modification in Indiana	
■	A wide range of non-profit and for-profit providers, varying in size and organizational base, provides home modification services in Indiana.
■	Home modification services are not equally available to consumers throughout the regions of the state.
■	Medicaid, Medicaid waiver, private pay and CHOICE are the most frequently utilized sources of funding for home modification services in Indiana.
■	Housing rehabilitation funding sources of federal origin are significantly underutilized for specialized home modification services.
■	Successful home modification programs depend upon a creative blending of funds from effective collaboration with multiple players, including local grass-roots and faith-based organizations.

Current State of Home Modification in Indiana (continued)

- Home modification services are needed and utilized by a broad population across the lifespan, from one to multi-person households, with very low to moderately high income.
- The large majority of home modification services target owner-occupied homes and not rental households.
- In-home assessments for home modification are highly non-standardized throughout Indiana and draw upon a wide range of disciplines and professions.
- Home modification providers regularly supplement their services with education for individuals, communities and other professions.

Future Trends and Barriers to Development

- The demand for home modification services in Indiana is increasing while the funding base is decreasing or, at best, remaining stable.
- The greatest barriers to the delivery of public home modification services to Indiana residents include lack of public funding, overly burdensome administrative requirements of funding sources, and lack of consumer information.
- Local public home modification programs have created some innovative response to cope with barriers and expand services.
- Home modification for private households is still rarely accomplished. Only 30 percent of private industry respondents provide accessibility features often or very often in their work.
- The large majority of private industry respondent (66 percent) have never received specialized training in areas related to home modification.
- A significant number of private industry respondents (58 percent) seek further education about home modification.

Program and Policy Recommendations

Based on the previous observations, a number of recommendations are offered to help improve the status of home modification services in Indiana and enable more Hoosiers to become and/or remain independent in their homes and active in their neighborhoods and communities.

- Public home modification services should be supported to network with one another to share best practices and collectively advocate for greater awareness of their needs and capacities.

Program and Policy Recommendations (continued)

- State and local housing and housing rehabilitation funding sources should contribute to the expansion of services through developing categorical grants for accessibility and visibility improvements to agencies that do not provide comprehensive housing development.
- Training for professionals involved with the home modification industry, both public and private, should be greatly expanded. The training should provide certification in accessibility specialties and include information to enable the effective utilization of public funding sources by private providers.
- Administrative requirements for private providers to access public funding should be streamlined and made user-friendly, with reimbursements provided on a timely basis.
- The home modification movement in Indiana should be supported to create local or regional “staying put” coalitions to build community capacity and expand awareness among consumers, policy makers, the building and trades industry and the general public.

Source: Home Modification Services in Indiana: Statewide Survey Results and Recommendation for Public Policy and Programs, April 2003.

Since the survey results and policy recommendations were published, IHFA and the Indiana Governor’s Planning Council for People with Disabilities have organized training workshops for builders and trades people, home designers care givers, and others who deal with home modification in their work. The trainings are scheduled to begin in March 2004. A luncheon is also planned during the day of the workshops for workshop participants and others who want to know more about home modification.

Persons Experiencing Homelessness

Definition. The Stewart B. McKinney Homelessness Act defines a person experiencing homelessness as “one who lacks a fixed permanent nighttime residence or whose nighttime residence is a temporary shelter, welfare hotel or any public or private place not designated as sleeping accommodations for human beings.” It is important to note that this definition includes those who move in with friends or relatives on a temporary basis as well as the more visible homeless in shelters or on the streets.

HUD’s definition of homelessness is slightly more comprehensive. In addition to defining individuals and families sleeping in areas “not meant for human habitation,” the definition includes persons who:

- “Are living in transitional or supportive housing for homeless persons but originally came from streets or emergency shelters;
- Ordinarily sleep in transitional or supportive housing for homeless persons but are spending a short time (30 consecutive days or less) in a hospital or other institution;

- Are being evicted within a week from private dwelling units and no subsequent residences have been identified and they lack resources and supportive networks needed to obtain access to housing; or
- Are being discharged within a week from institutions in which they have been residents for more than 30 consecutive days and no subsequent residences have been identified and they lack the resources and support networks needed to obtain access to housing.”

This definition demonstrates the diversity of people experiencing homelessness. The numerous locations in which people experiencing homelessness can be found complicates efforts to estimate an accurate number of the population.

Total population. Estimating the total population of persons experiencing homelessness on a nationwide, Statewide or even local level, is challenging because of the various types of homelessness and difficulty in locating the population. For example, an individual living with friends on a temporary basis can be considered homeless but would be unlikely to be identified in a homeless count.

The most recent and comprehensive count of persons experiencing homelessness anywhere in the State was conducted in Indianapolis during 1999 and 2000 by the Coalition for Homelessness Intervention and Prevention (CHIP). The survey found that an estimated 12,500 to 15,000 people in Indianapolis experience homelessness during one year. If this incidence of homelessness is applied Statewide, it can be estimated that approximately 100,000 Hoosiers have experienced homelessness over the period of one year.

The 2003 State Continuum of Care application estimated a total of 15,178 persons experiencing homelessness in the State. This number is lower because it is a point-in-time count, which differs from the “over the year” estimate from the CHIP survey. The point-in-time survey was conducted on June 26, 2003 and was done via the internet. Indiana Coalition on Housing and Homeless Issues (ICHHI) reviewed the data and compared it against population estimates provided by the U.S. Census Bureau. Through this comparison, ICHHI was able to determine the number of emergency and transitional housing beds per capita, and the percentage of the general population that received shelter.

The Continuum estimated a need for 5,813 beds or units for persons experiencing homelessness in Indiana, which exceeds the current and under development supply by nearly 3,226. After adjusting for beds per capita, it was found that 0.21 percent of the general population were homeless at the point-in-time. This number translates to 9,345 persons needing some type of shelter per night. This number correlates well with the City of Indianapolis, who has estimated nearly 3,500 homeless persons per night in their own CoC. Additionally, if one percent of the populations is homeless during the year and 10 percent of the homeless is chronically homeless, then there is a large undercount of chronically homeless persons and persons in need of Permanent Supportive Housing.

The Census provides a point-in-time estimate of the number of people in emergency and transitional shelters as identified by group quarters.⁴ However, the Census stresses that these data do not constitute and should not be construed as a count of people without conventional housing as the tabulation is not comprehensive.

This count only includes people without conventional housing who stayed overnight in permanent and emergency housing, missions, Salvation Army shelters, transitional shelters, hotels and motels used to shelter people without conventional housing and similar places known to have people without conventional housing staying overnight. On March 27, 2000, the Census identified approximately 2,384 persons staying in emergency and transitional shelters of this type Statewide. Of these persons, 63 percent were male and 26 percent were under 18 years of age.

Another way to estimate the number of persons experiencing homelessness is by using counts of the number of persons experiencing homelessness served by State and local assistance. The Family and Social Services Agency (FSSA) reported serving 3,244 persons experiencing homelessness in FY2003. Of these persons, 315 were located in rural areas and 2,929 were in urban areas.

When assessing the extent of homelessness in nonentitlement areas, it is important to note the degree to which it may be hidden. That is, in areas where there are limited social service providers, it might be more common for those at risk of experiencing homelessness to move in with friends and relatives rather than to seek local services or housing at a shelter. Furthermore, when individuals have exhausted all other alternatives, they are likely to move to larger cities with institutional supports such as homeless shelters and soup kitchens. This progression makes it difficult to detect the extent of homelessness in nonentitlement areas.

If the number of persons staying in shelters during the 2000 Census count represents just two percent of the State's homeless population, this would suggest a total population of 119,200 persons who are homeless.

The study conducted by CHIP further illustrates this point. It found that only 2 percent of the general population said they would go to a shelter or the street if they lost their home, which implies that 98 percent of people considered homeless by definition are not in shelters or on the street. The study also indicated that over 110,000 Indianapolis residents, or about 7 percent of the population, were temporarily homeless and relying on relatives for housing in the past year. If this figure is applied to Statewide population statistics, approximately 400,000 Indiana residents defined as homeless were staying with friends or relatives at one point over the year. These people are considered to be the hidden homeless.

⁴ Census 2000 PHC-T-12. Population in Emergency and Transitional Shelters, <http://www.census.gov/population/cen2000/phc-t12/phc-t12.pdf>.

Characteristics of persons experiencing homelessness. While the only consistent characteristic of persons experiencing homelessness is the lack of a permanent place to sleep, there are a number of subgroups that are typically part of the homeless population. These include the following:

- **HIV/AIDS.** National estimates place the proportion of persons experiencing homelessness who are HIV positive at 15 percent. Other estimates place the total at between 1 and 7 percent. Providers of HIV/AIDS services in Indiana believe the actual count is closer to the national figure.
- **Substance abuse.** A recent HUD report found that 38 percent of individuals experiencing homelessness who contact shelters, food pantries or other assistance providers have an alcohol dependence, 26 percent have a drug dependence and 7 percent have both. Applying these percentages to the estimate of the 100,000 persons experiencing homelessness in the State during any one year results in a total of approximately 71,000 individuals experiencing homelessness who also have substance dependencies.
- **Mentally ill.** CHIP's Indianapolis study indicated that approximately 30 percent of the single adult homeless population suffers from some form of severe and persistent mental illness. National estimates suggest this may be closer to 40 percent. Using the above estimate of 100,000 persons experiencing homelessness in Indiana over the course of a year, this would indicate that approximately 30,000 of those individuals have a mental illness.
- **Families.** The Blueprint to End Homelessness in Indianapolis reported 40 percent of the local homeless population are families in 2002. If the 40 percent rate was applied to the estimated 100,000 Hoosiers who have experienced homelessness during one year, it would mean 40,000 were families. Twenty years ago it was rare to find families who were homeless. Nationally, families comprise the fastest growing group of homeless people. The Blueprint also reported 4,500 children experience homelessness annually in Indianapolis. Homeless children are more likely to suffer from mental and physical health problems and they are at greater risk of failing in school.

At risk of experiencing homelessness. In addition to those who have experienced homelessness in the past or who show up on a point-in-time estimate of current homelessness, it is important for policymakers to know the size of the population that is at risk of future homelessness. In general, the population at risk of experiencing homelessness includes persons who are temporarily living with friends or relatives (also known as hidden homeless) and individuals at risk of losing their housing (usually very low-income).

The Indianapolis study of persons experiencing homelessness conducted by CHIP found that 69,000 Indianapolis residents reported that they were in danger of becoming homeless in the past year. Applying this number to Statewide population data, it is estimated that over 550,000 (or about 9 percent) of Indiana residents may have been in danger of experiencing homelessness in the past year. The share of the population that has very low-income or is severely cost-burdened (e.g., paying more than 50 percent of income in housing costs) is also useful in estimating the number of persons at risk of experiencing homelessness. The 2000 Census reports that 16 percent of all homeowners (220,000 households) in the State were paying more than 30 percent of 1999 household income for housing, and 11 percent (154,000 households) were paying more than 35 percent. The 2000 Census also

estimates that one-third of Indiana renters — or 218,000 — paid more than 30 percent of household income for gross rent, with most of these (26 percent of renters, or 172,000) paying more than 35 percent of their incomes. Rentals constitute only 26 percent of the State's occupied housing units in 2000; however, there were almost as many cost-burdened renter households (218,000) as cost-burdened owner households (220,000).

The Information & Referral Network received more than 10,000 people in 2003 requesting help with a housing issue. This represents 20 percent of all callers in 2003, a 24 percent increase in reported housing needs compared to 2002. The three largest needs in the housing category were those for rent/mortgage assistance, shelter and low-cost/subsidized housing. Rent/mortgage assistance accounted for 37 percent of all housing needs. Of the 4,086 rent requests, 3,847 (94 percent) were recorded as “unmet.” This places these people at risk of becoming homeless if they are unable to pay their rent. FEMA money for rent assistance continues to be a very scarce resource. The only recourse for most people needing rent is to apply to their township trustee. Allocation amounts and eligibility requirements vary widely among trustees; most people needing help do not qualify for assistance. There are simply not enough financial resources in the community to meet this need.

An important factor in considering the number of households at risk for homelessness is that approximately 32,500 Section 8 units in Indiana are at risk of expiring and converting to market rate rents (see Section IV for details about expiring use units). According to the most recent national statistics, almost 10 percent of owners of expiring units have opted out, indicating that the State could likely lose up to 3,250 units of affordable housing. This does not mean that residents of expired units will completely lose access to subsidized housing. The residents of those units that are no longer available will receive vouchers to obtain another unit. Although vouchers have some advantages in that they allow recipients to move into areas of less concentrated poverty, mismatches between the amount of subsidy provided through vouchers do not guarantee adequate housing if the supply of units that accept vouchers is lacking. In many cases in Indiana, the subsidized rents of expiring use properties have been higher than local market rents. Although the outcomes of the expiring use conversions are property specific, conversions may provide tenants with opportunities for lower rents or units that better meet their needs.

Housing for homeless. According to the 2003 Continuum of Care, the State had a total of 2,239 beds/units available to individuals and 2,045 for person in families with children, who are homeless (excluding metropolitan areas).

Outstanding need. The 2003 Continuum of Care application estimated a need for a total of 4,910 beds or units for individuals and 5,500 beds or units for persons in families with children who are experiencing homelessness. State shelters will support a total of 2,365 beds/units for individuals and 2,232 for persons in families with children by the end of 2003. As seen in Exhibit V-7 (which is also HUD table 1A), this total still leaves unmet needs for all types of housing, totaling 2,545 beds or units needed for individuals and 3,268 beds or units for persons in families with children.

**Exhibit V-7.
Housing Gap Analysis
Chart, Indiana, 2003**

Source:
2003 State of Indiana Continuum of Care,
Application.

Beds	Current Inventory in 2003	Under Development in 2003	Unmet Need/Gap
Individuals:			
Emergency Shelter	975	40	485
Transitional Housing	434	8	558
Permanent Supportive Housing	830	78	1,502
Total (number of beds)	2,239	126	2,545
Persons in Families with Children:			
Emergency Shelter	798	39	663
Transitional Housing	703	98	699
Permanent Supportive Housing	544	50	1,906
Total (number of beds)	2,045	187	3,268

There are a total of 15,178 persons who are homeless. Approximately 54 percent are sheltered and the remaining 46 percent are unsheltered. The following exhibit shows the breakdown of homeless population and subpopulations and if they are sheltered or unsheltered.

**Exhibit V-8.
Homeless Population and Subpopulations Chart, Indiana, 2003**

Homeless Populations:	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Homeless Individuals	1,008	1,017	2,016	4,041
Homeless Families with Children	820	1,252	1,640	3,712
Persons in Homeless Families with Children	2,460	3,756	4,920	11,136
Total (number of persons)	3,468	4,773	6,936	15,177
Homeless Subpopulations:	Sheltered		Unsheltered	Total
Chronic Homelessness	935		639	1,574
Chronic Substance Abuse	2,803			
Persons with HIV/AIDS	475			
Seriously Mentally Ill	2,803			
Veterans	3,270			
Victims of Domestic Violence	2,366			
Youth	280			

Note: When determining the chronic homeless, the CoC used national statistics that state that at least 10 percent of the homeless population is considered homeless.

Source: 2003 State of Indiana Continuum of Care, Application.

The Continuum of Care has prioritized the projects it will fund in the 2003 application. The first project is for 20 units of permanent supportive housing. The second project is a renewal project of permanent housing to a targeted population of severely mentally ill (SMI) persons. The third priority project was to fund a transitional housing project that serves a targeted population of SMI.

The State's Continuum of Care notes that there are numerous barriers to ending chronic homeless. Examples of barriers include a lack of supportive services, shortages of matching funds and negative attitudes, i.e. "not in my backyard" (NIMBY). There are also many homeless service providers who believe that chronic homelessness is a much broader population than the current definition provided

by HUD. This may lead to resistance to addressing goals and objectives, as there is the perception that this policy may eventually pit large urban centers against smaller, rural areas, as the dollars tend to flow toward those with the highest numbers.

To combat these barriers, the State aims to create more permanent housing for chronically homeless persons, formulate a plan to end chronic homelessness, identify the extent of chronic homelessness, and increase Community Mental Health Center (CMHC) and AIDS Service Organization (ASO) participation in serving chronically homeless.

Additionally, the State's Continuum of Care is in the process of implementing a Homeless Management Information System (HMIS). As of 2003, The Indianapolis Continuum of Care had 25 organizations linked through Client Track software and can exchange information regarding clients and delivered services. It is anticipated that the new system will more accurately reflect point-in-time counts over a greater period of time. The (Balance of) State's Continuum of Care is implementing AWARDS by Foothold Technology.⁵

In 2003, the Information & Referral Network responded to 2,713 calls from people needing shelter. This represents a 27 percent increase in the number of shelter calls compared to 2002 (2,128). There are 25 shelters in central Indiana that serve families, men and women in domestic violence situations. Despite existing resources, finding shelter space remains difficult. In fact the Information & Referral Specialists were unable to help 24 percent of those calling for shelter. Of those calling for shelter who also were in a domestic violence situation (14 percent of all shelter calls), 22 percent were unable to be immediately placed in shelter. The Emergency Bed Space Plan, operated by the Salvation Army shelter, is part of the Family Violence Community Wide Plan; it recently has been put into place to ensure that every domestic violence victim needing shelter has a place to stay. During extremely cold weather, the Winter Contingency Plan offers people a place to sleep for the night; aside from this resource (provided by 2 shelters in Marion County), many people must go without shelter due to limited capacity at existing shelters.

Resources. Indiana's strategy for meeting the needs of persons experiencing homelessness includes outreach/intake/assessment, emergency shelters, transitional housing, permanent housing and supportive services. The State employs a number of resources to support this strategy, including State agencies, regional planning commissions, county welfare planning councils, local continuum of care task forces, county step ahead councils, municipal governments and others.

In 2001, the State of Indiana Continuum of Care reorganized into a new planning body. Comprised of decision makers from various State agencies and the Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana InterAgency Council for the Homeless was formed to provide better coordination and collaboration. The Council's sole purpose is to formulate Indiana's State response to homelessness. The Council established three subcommittees to provide specific recommendations

⁵ The "State Continuum of Care" refers to all of Indiana except Evansville/Vanderburgh, Fort Wayne/Allen, South Bend/St. Joseph, and Indianapolis/Marion County. The Evansville, Fort Wayne, and South Bend Continua have also chosen Foothold Technology, which means all of Indiana will be using AWARDS except for Indianapolis.

to the Council: the Homeless Task Force, the Homeless Management Information Systems (HMIS) Task Force, and the Chronic Homelessness Policy Task Force.

Homeless Task Force. In 2003, the Indiana Homeless Task Force established a set of goals and timelines for addressing the needs of the homeless in the State. The goals are shown in Exhibit V-9 on the following two pages.

Exhibit V-9.
Homeless Task Force Goals and Timeline

Goals	Timeline	Status
1. Ensure homeless people receive mainstream resources for which they are qualified <ul style="list-style-type: none"> ■ Review the application process for the various mainstream resources. ■ Identify barriers to homeless people accessing these resources. ■ Get feedback via ICHHI's website survey from homeless providers about problems that have encountered trying to help homeless people access mainstream resources. ■ Create a toolbox guide for homeless providers that lists all of the resources available to address the needs of the homeless, what the qualifications are, and how to apply for them. 	<p>December 2002</p> <p>December 2002</p> <p>December 2002</p> <p><i>Project start date:</i> December 2002</p> <p><i>Toolbox guide:</i> March 2003</p>	<p>FSSA has added language in their ESG 2004-06 application package offering points for providers to do this. Continue to focus on for 2004.</p> <p>Completed.</p> <p>Continue to focus on for 2004.</p>
2. Ensure State and local institutions do not discharge people into the homeless system. <ul style="list-style-type: none"> ■ Review and evaluate the discharge policies of State run institutions. ■ Identify where there is not a policy and where one should be developed. ■ Communicate the policies to homeless providers through the Continuum of Care regions and get feedback where policies are not being implemented. ■ Contact HUD to ensure we are interpreting the policy correctly regarding who should sign the discharge policy form in the Continuum of Care application. ■ Track individual progress through the system to determine if State and local institutions are complying. 	<p>November 2002</p> <p>November 2002</p> <p>November 2002</p> <p>January 2003</p> <p>July 2004</p>	<p>Completed. FSSA's Division of Mental Health reviewed and wrote a policy.</p> <p>Completed.</p> <p>Ongoing. DMHA notified the providers.</p> <p>Ongoing.</p>

Source: Homeless Task Force, Goals and Timeline, updated December 12, 2003.

Exhibit V-9.
Homeless Task Force Goals and Timeline (continued)

Goals	Timeline	Status
3. Improve the effectiveness of the regional Continuums of Care (CoC).		
■ Determine how we want the regions to report to the Task Force on their activities.	December 2002	Completed.
■ Develop a working model of how a regional CoC should function.	December 2002	Ongoing. Basic guidelines were completed but need to be further refined.
■ Identify a contact person for each region.	November 2002	Completed.
■ Provide two training sessions for the regions.	December 6, 2002 March 2003	Completed.
■ Hold Task Force meeting at one of the regional lead organization sites rather than Indianapolis.	April 2004	
4. Improve working relationship between mental health centers and homeless providers to ensure better access to services by mentally ill homeless persons.		
■ Survey mental health centers.	December 2002	Completed.
■ Develop model service agreement.	---	Ongoing.
■ Establish service agreements between at least 75percent of the mental health centers with homeless service providers.	May 2003	Ongoing. DMHA reported that many of the mental health centers have good verbal agreements in place with homeless service providers. DMHA is reviewing how these agreements are working out.
■ Highlight mental health centers that have established strong relationships with homeless service providers at the March 2003 training sessions.	March 2003	Ongoing. Did not do in 2003. The Task Force will include with 2004 CoC trainings.
5. Research sources to supplement Emergency Shelter Grant (ESG) funding for shelter operations.	Complete	Task Force will observe the progress of the legislature on the real estate transfer tax and update the Council on the outcome.

Source: Homeless Task Force, Goals and Timeline, updated December 12, 2003.

HMIS Task Force. The HMIS Task Force is charged with implementing the State's HMIS during 2003 and 2004. The HMIS will provide the State with much needed data about the number of persons who are homeless, the services they seek and need, and their housing patterns and needs. The Task Force has worked with entitlement communities in the State to ensure the systems are compatible Statewide. The State has secured two HUD Continuum of Care grants (one for \$250,000 and a second for \$800,000) to implement HMIS, and has negotiated the contract with Foothold Technology to implement HMIS.

The selection of the HMIS vendor was the final objective to be accomplished by the HMIS Task Force. Since the Task Force met all of its objectives, it decided to disband. The Indiana Coalition on Housing and Homeless Issues (ICHHI) will carry out future HMIS implementation efforts.

Two Continuum of Care Regions have been selected for Round One of HMIS user training. They are Region 4 (Greater Lafayette) and Region 6 (Greater Anderson/Muncie). The City of Evansville is a third pilot area. Round One of training is scheduled at the end of March 2004. Additional regions are scheduled to be brought online in June and September.

The objectives of the HMIS relevant to the Consolidated Planning process include:

- Identify and document an unduplicated count of the homeless in Indiana that entered the homeless system and accessed services;
- Serve as a unified intake system, track services received by clients, coordinate case management, and provide continuity of care to the clients;
- Determine shelter bed availability and other types of housing availability;
- Identify client needs and the gaps in services and housing to fill those needs; and
- Improve efficiency for services to the homeless.

Chronic Homelessness Policy Task Force. The Chronic Homelessness Policy Task Force was established in 2003. The Task Force is made up of State agencies, advocacy groups and homeless service providers. During this time, the Task Force has attended a HUD-sponsored Chronic Homeless Policy Academy, and is currently developing a *Statewide Action Plan for Ending Chronic Homelessness*. This strategy was developed in the Fall of 2003, and the draft strategies are currently being reviewed and edited. Some draft priorities include:

- Increases the supply of supportive housing;
- Enhance prevention activities and strategies;
- Enhance and coordinate support systems;
- Optimize use of existing mainstream resources; and
- Develop a policy and planning infrastructure.

Other activities. For the past several years, ICHHI, on behalf of the State through the Indiana Housing Finance Authority, has applied for HUD funding for Continuum of Care projects. In the 2002 SuperNOFA, 12 out of 12 Continuum of Care projects were funded, totaling nearly \$5.25 million. The Continuum of Care has continued this momentum and applied for 22 projects in the 2003 application totaling over \$9.8 million. These projects include transitional housing, permanent supportive housing, domestic violence shelters, and housing for special needs populations. In addition to the Continuum of Care funding, IHFA has a goal of dedicating \$3.5 million annually for the development, construction, and/or rehabilitation of emergency shelters, transitional housing and youth shelters. IHFA also administers HOPWA funds, which are allocated each year based on regional needs. A large percentage of HOPWA funds generally go toward transitional housing programs and shelters. IDOC provides planning grants and infrastructure funds to homeless assistance providers.

Emergency Shelter Grant. FSSA administers the Emergency Shelter Grant (ESG) program, which funds emergency shelter and transitional services in shelters throughout the State. For the 2003 program year, the State of Indiana received an Emergency Shelter Grant of \$1,747,000 to use for homeless shelter support, services and operations, homeless prevention activities and limited administrative costs.

As in past years, the State chose to allocate this funding to three primary activities: essential services, operations, and homelessness prevention activities. These types of activities are described below.

- **Essential services.** Essential services consist of supportive services provided by shelters for persons experiencing homelessness. These services vary, as they are tailored to client needs. In general, essential services consist of the following: employment services (job placement, job training and employment counseling), health care services (medical and psychological counseling, nutrition counseling and substance abuse treatment) and other services (assistance in locating permanent housing and income assistance, child care and transportation).
- **Shelter operations.** Funds allocated to shelter operations are used by shelters for operating and maintenance costs, shelter lease costs, capital expenses, payment of utilities, purchases of equipment and furnishings, provision of security, and purchase of food.
- **Homeless prevention.** The State believes in taking a proactive approach to the problem of homelessness. Once a person becomes homeless, it can be very difficult to move them back into permanent housing. The State assisted those at risk of experiencing homelessness through short-term rental and mortgage subsidies to prevent evictions or foreclosures, payment of apartment security deposits, mediation of landlord/tenant disputes and provision of legal services for tenants in eviction proceedings.

Shelter Plus Care. One goal of the State's FY2000 Consolidated Plan is to enhance resources such as FSSA's Shelter Plus Care grants that provide rental assistance for persons who are homeless *and* have a severe disability, including a serious mental illness. The State has successfully applied for and received two Shelter Plus Care grants from HUD. The first grant was awarded to Community Action of Northeast Indiana; it will provide \$900,000 over 5 years to produce approximately 50 vouchers for housing and utility payments. Populations to be served include persons who are homeless and disabled and may have other special needs. The State recently received another Shelter Plus Care grant of \$2.2 million. On April 28, 2003, FSSA held a statewide Shelter Plus Care training about the program and the additional funds.

Persons with Developmental Disabilities

Definition. According to the Indiana Bureau of Developmental Disabilities, three conditions govern whether a person is considered to have a developmental disability:

- Three substantial limitations out of the following categories: self-care, receptive and expressive language, learning, mobility, self-direction, capacity of independent living and economic self-sufficiency;
- Onset of these conditions prior to the age of 22; and
- A condition that is likely to continue indefinitely.

Total population. The Association of Rehabilitation Facilities of Indiana's 2000 Assessment of Developmental Disabilities Services estimates that 70,787 people in Indiana, or 1.2 percent of the State's population had a developmental disability in 2000. In 1995 the Governor's Council for People with Disabilities estimated the number to be 0.8 percent of the population, or about 48,000. Based on the 1.2 percent assumption, the total number of people in Indiana that have developmental disabilities is projected to grow to 74,055 in 2005. Approximately 65 percent of the 70,787 people with developmental disabilities had some degree of mental retardation, 9 percent had cerebral palsy, 17 percent had epilepsy and 10 percent had other physical and mental disabilities including autism.

Housing. There are a wide variety of housing options for persons with developmental disabilities in Indiana. These range from highly structured, institutionalized care to living in a community with various supportive services.

The trend away from large institutional settings for those with developmental disabilities is evident in the recent closures of such facilities as New Castle Developmental Center and Northern Indiana State Developmental Center. The State currently has two large developmental disability centers in Ft. Wayne and Muscatatuck. The Muscatatuck Development Center near Butlerville in Jennings County is scheduled to close in 2005. There are also three specialized hospital units (Madison, Logansport and Evansville) to serve persons with developmental disabilities. An additional ten large non-State institutions that house persons with developmental disabilities are located throughout Indiana.

The Homeless Task Force has also addressed the change from State institutions to smaller settings. One of their 2002 goals aims to ensure that State and local institutions do not discharge people into the homeless system. Objectives to obtain this goal are outlined in the second goal in Exhibit V-9. The Homeless Task Force learned of an Indiana Code requiring that residency must be considered in discharge planning. Currently, persons in developmental disability and mental health institutions that are being released cannot be released into homelessness. FSSA's Division of Mental Health has reviewed and written a policy concerning this issue, however many local institutions do not have formal written policies in place.

As the State has shifted away from institutional settings for people with developmental disabilities, the number of individuals served in smaller settings of six or fewer people (group homes, supervised apartments and supported living settings) has increased. According to the University of Minnesota's Institute of Community Integration, 3,957 of the total 7,989 persons served resided in settings of six or fewer persons as of June 30, 2002, which represents a 38 percent increase from 1995.

Exhibit V-10 below shows the number of facilities and residents in State-owned and non-State facilities, by size of facility for 2002. The number of facilities for 1 to 6 people has increased by almost 1,500 facilities since 2000. This reflects the trend away from large institutional setting for those in smaller community-based facilities.

Exhibit V-10.

Facilities and Residents in State and Non-State Facilities for Persons with Intellectual and Developmental Disabilities, June 30, 2002

	Number of Facilities			% change 2000 to 2002	Number of Residents			% change 2000 to 2002
	State	Non-State	Total		State	Non-State	Total	
1 - 6 People	0	1,685	1,685 *	755%	0	3,957	3,957	282%
7 - 15 People	0	341	341	-3%	0	2,677	2,677	-3%
16+ People	<u>6</u>	<u>7</u>	<u>13</u>	-19%	<u>640</u>	<u>715</u>	<u>1,355</u>	-17%
Overall	6	2,033	2,039	262%	640	7,349	7,989	47%

Note: * Contains an estimate.

Source: Residential services for persons with developmental disabilities: Status and trends through 2002. Minneapolis: University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

As shown in Exhibit V-11 on the next page, the largest number of persons served in 2002 resided in congregate care facilities (4,981), followed by those living in their own homes or apartments (2,256), and those living with host families or in foster homes (782).

Exhibit V-11.
Residents by Type of Facility for People with Intellectual and Developmental Disabilities,
2000 and 2002

	2000	2002	Percent Change
Congregate Care	5,423	4,981	-8%
Host Family/Foster Home	490	782	60%
Homes Owned/Leased by Persons with ID/DD	<u>1,447</u>	<u>2,256</u>	56%
Subtotal	7,360	8,019	9%
Persons with ID/DD Receiving Services While Living With Family Member	<u>1,358</u>	<u>2,256</u>	66%
Total Services Recipients in Family Homes and Residential Settings	8,718	10,275	18%

Source: Residential services for persons with developmental disabilities: Status and trends through 2002. Minneapolis: University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

Outstanding need. There are a number of methods used when estimating the outstanding need of services for people with developmental disabilities in Indiana. Conservative estimates place the number of adults in need of services at 50 percent of the entire population with developmental disabilities. This estimate suggests that of the 70,000 individuals with developmental disabilities in Indiana, approximately 35,000 need services. According to the Governor's Planning Council on People with Disabilities, 12,000 individuals are currently receiving services, suggesting that approximately 23,000 of those who were estimated to need services are not receiving them.

A more conservative estimate can be reached by examining the waiting lists for various types of services. According to the *Residential Services for Persons with Development Disabilities: Status and Trends Through 2002* report there were 6,000 persons with developmental disabilities not receiving residential services who were on waiting lists for such services on June 30, 2002.

A critical need for people moving out of institutions is finding an alternative place to live. In 2000, 112 persons with developmental disabilities were discharged from State hospitals and institutions. These individuals likely faced housing needs upon discharge. Section 8 tenant-based vouchers remain the primary mainstream resource available for housing people with disabilities and will likely continue to be a critical source of housing subsidies.

In many communities, the rent burden for people with disabilities moving from institutional settings would be more than 50 percent of their monthly Supplemental Security Income (SSI) benefit. Data from the recent study *Priced Out in 2002* indicate that rental housing costs rose at twice the rate of SSI cost of living adjustments from 2000 to 2002. In Indiana, the monthly SSI benefit of \$545 represents 16.6 percent of Statewide one-person median income. A person with disabilities receiving SSI income support in Indiana would have to pay 83.5 percent of this monthly benefit to be able to rent a modestly priced one-bedroom unit.

When considering future need it is important to note that the families and caregivers of persons with developmental disabilities are aging. Approximately 30 percent are 60 years and older and 40 percent are 40 years and older. As these primary caregivers become less able to care for their family members with developmental disabilities, alternative housing options will be needed. This could cause the needs for housing and other community resources to increase significantly in the next 10 to 15 years.

Resources. The types of support available to individuals with developmental disabilities in Indiana include the following:

- Intermediate Care Facilities for the Mentally Retarded (ICF/MRs) are large facilities or small group homes that provide intensive support services. A subset of these are Supervised Group Living (SGL) arrangements that provide 24 hour supervision overseen by paid staff in a home-like setting, which is often a single family dwelling.
- Nursing facilities are long-term health care facilities providing in-patient care and nursing services, restoration and rehabilitative care and assistance meeting daily living needs. Nursing facilities in Indiana served 1,933 individuals with mental retardation and related conditions in 2000.
- Through the State's Division of Disability Aging and Rehabilitation Services (DDARS), the Bureau of Developmental Disabilities Services (BDDS) administers several programs that assist individuals with developmental disabilities and their families, including:
 - Supported Group Living, which consists of homes with four to eight individuals residing in a group home. In 2001, 3,791 Indiana residents with developmental disabilities resided in SGL homes.
 - Supported Living, which consists of one to four individuals residing in a house or apartment with individualized supports. The former Semi-Independent Living Program (SILP), the Alternative Family Program (AF) and family support/respite services are now administered by BDDS through Supported Living. As of the end of 2003, 3,877 individuals benefited from Supported Living services and Medicaid waivers.
- SSI, a federal income support program available to persons who have disabilities and limited income and resources. The program provides up to \$564 per month for eligible single people in 2004.
- Community and Home Options to Institutional Care for the Elderly and Disabled is a State funded program that supports the elderly and persons with disabilities. It can cover financial assistance for home modifications and various in-home supports (e.g., personal attendant care). The goal of the program is to enable the elderly and disabled to live as independently as possible. CHOICE dollars are all State funds, and CHOICE may fund up to \$15,000 per person for home modifications. The original projections for the use of the CHOICE program were far exceeded. Between 1995 and 2000, the number directly served by CHOICE increased by nearly 30 percent each year. There is currently a waiting list for the services. A 2000 analysis of CHOICE beneficiaries found that more than 15 percent of individuals in the program were persons with disabilities.

- The Home and Community-Based Services (HCBS) program makes Medicaid waivers available for community support services in noninstitutional environments. They cannot be used to cover the cost of housing, although up to \$10,000 can be used for environmental modifications. As of the end of 2003, 4,655 Hoosiers with developmental disabilities have been helped through the HCBS program.
- The U.S. Department of Housing and Urban Development's Section 811 program provides grants to nonprofit organizations to develop or rehabilitate rental housing. Nonprofit developers of such housing are granted interest free capital advances and rental assistance. The goal of the program is to increase the supply of rental housing with supportive services for people with disabilities, allowing them to live independently. The target population of the Section 811 program is very low-income individuals with physical or developmental disabilities who are between the ages of 18 and 62.
- CDBG, HOME, and tax credit funds can also be used to support the development of new housing, the construction of group homes, and provide rental assistance for people with developmental disabilities.
- The HomeChoice Program, offered by Fannie Mae and administered by housing finance authorities (including IHFA), offers conventional mortgage loan underwriting tailored to meet the needs of people with disabilities.

The Olmstead Supreme Court ruling. In June 1999 in the *Olmstead V. L.C.* case, the U.S. Supreme Court ruled that under the Americans with Disabilities Act, States are required to support individuals with disabilities in community settings rather than in institutions when it has been determined that community settings are appropriate and can be reasonably accommodated.

As a result, Indiana has formed the Governor's Commission on Home and Community-Based Services Housing Task Force. Its purpose is to coordinate existing resources and develop new housing solutions for persons at risk of being institutionalized. As of October 2002, the Housing Task Force will examine and report to the Commission on:

- The housing needs of people who are at risk of being institutionalized;
- The alternative housing solutions within Indiana, including a review of how other States have dealt with this issue and what is currently available in Indiana;
- The potential of replicating successful programs through creative funding mechanisms; and
- Develop potential recommendations in a report to be considered by the Commission that summarizes the focus of the Housing Task Force as it relates to current system barriers, current best practices, incentives for change, potential partnerships, recommendations for legislative and budget resources to support the system's change, evaluation criteria to measure effectiveness of change, and legislative and budget recommendations.

The Housing Task Force awarded mini-grants to go towards housing efforts. IHFA was awarded a \$35,000 mini-grant June 2003 to support the re-establishment of the Indiana Low Income Housing Trust Fund Advisory Committee. The contract is currently being finalized. The Indiana Association for Community and Economic Development (IACED) was awarded a \$31,429 mini-grant in August 2003 to implement a series of training and outreach activities. The activities increase the availability of community-based housing to persons with disabilities. Two specific markets to be targeted include: affordable housing suppliers and social service providers/supporters. The trainings will be held in May and June of 2004.

In June 2003, the Governor's Commission on Home and Community-Based Services released its report. The report includes a list of 28 new actions to serve as a blueprint for reform in Indiana. The actions are organized into four categories: rebalancing the long-term care system; the removal of barriers; community capacity; and children at-risk.

A few of the Actions include:

- Raise the monthly income eligibility standard for the Medicaid Aged and Disabled Waiver (and all other applicable waivers) to the federally-allowed limit of 300 percent (i.e., \$1,656) of the Supplemental Security Income amount. This Action is further supported by a similar provision included in Senate Bill 493 (2003).
 - FSSA responded to this action by raising the monthly income standard for the Medicaid Aged and Disabled Waiver to the federally allowed 300 percent of the Supplemental Security Income amount (SSI).
- The Governor should appoint a Housing Task Force to focus on the housing issues of the elderly, disabled, and mentally ill populations. Membership should include: representatives of the housing industry, especially builder and contractors who have expertise and experience in new construction; consumers; advocacy groups; legislators; representatives of public/private funding sources; and service providers.
- The Governor should work with the Indiana General Assembly to establish a real estate transaction fee to be assessed in the transfer of all commercial, farm, and residential real estate. The proposed fee per transaction would be dedicated to the Indiana Low Income Housing Trust Fund.
- A Business Leadership Network should be developed in Indiana to establish and further strengthen the link between business and employment at the local and state levels. Business Leadership Networks assist employers by exploring methods to more effectively recruit, market, and hire the talents of job applicants with disabilities. Business Leadership Networks have been developed across the country as part of an initiative started by the Office of Disability Employment Policy (ODEP) and supported by the U.S. Chamber of Commerce.

The report discusses that affordable and accessible housing is in very short supply. In fact, data indicates there are 3,700 households receiving housing assistance through Indiana's Housing Choice Voucher Program (Section 8), two-thirds of which have elderly or disabled members. This compares to a very high demand for this assistance with over 7,000 households on the pre-application list waiting for assistance. It is for this reason that the issue of housing warrants special attention and cannot be fully resolved with the identification of a few critical actions.⁶

Employment program for people with disabilities. Nationally there has been an emphasis on integrated supported employment from traditional segregated day activity programs for persons who are disabled. In 1985, the U.S. Department of Education issued a request for proposals with the intent of fostering systematic statewide efforts to provide paid, integrated community employment opportunities for people with significant disabilities who require ongoing support to participate successfully in the competitive labor force. By 1998, all but two states had received one or more supported employment systems change grants from the Department of Education.⁷

According to the 2000 U.S. Census, 14.5 percent of the population aged 16 to 64 years who were employed had a disability. This is slightly lower than the national average of 14.8 percent of the employed population aged 16 to 64 years with a disability. The National Organization on Disability "State of the Union 2002 for Americans with Disabilities" reported employment was the largest gap area, with 68 percent unemployment, despite the fact that two out of three individuals with disabilities wanted to work. According to a Harris Poll, 32 percent of Americans with disabilities ages 18 to 64 were working versus 81 percent of non-disabled adults.

According to a study done in 1998, participation in supported employment programs had grown from 9,800 in 1986 to over 140,000 in 1995. There have been documented employment successes achieved by individuals with the most challenging support needs and individuals with various disabilities. Participants in integrated employment with adequate support to get and keep a job have obtained decent jobs with fair wages and the individualized accommodations and adaptations have provided greater access and independence for many.

A 2002 study examined changes in wages, work hours, benefits, and integration outcomes by former segregated workers to integrated work environments. The findings include:

- Employees earned over twice the wages, on average, in community jobs than they had earned in the sheltered facility;
- Mean hourly wage was \$5.75 for supported employment and \$2.30 for sheltered work;
- Only 38 percent received benefits when they were in the sheltered facility, whereas 50 percent received benefits when they obtained integrated employment; and
- Most individuals (73 percent) had no contact with people without disabilities in their immediate environment while in sheltered facilities, while 94 percent of all supported employees had nondisabled coworkers in their immediate environment.

⁶ Governor's Commission on Home and Community-Based Services, June 30, 2003 Report.

⁷ Rogan, Dr. Patricia, *A Rational for Integrated Job Training & Employment for People with Disabilities*. December 2003.

There is currently an outstanding need to get current policies aligned with the shift in funding to integrated employment. There is also minimal expertise within the social services about the business community and few contacts within the business community. Education about the process and benefits of the integrated employment system for the business community is also important to improve and expand the program.

The following is a description of two organizations in Indiana that that promote individualized and integrated employment.

- **Gateway Services.** Gateway Services has been in existence for 25 years providing facility based sheltered workshop and day activity services for people with significant disabilities. Over a 10 year period, Gateway stopped running a sheltered workshop and assisted approximately 150 people to secure employment in the community. The organization learned that when people become apart of their community and become taxpaying citizens, their lives are enhanced.
- **Options for Better Living.** Options, based in Bloomington, is an organization that has been shifting its focus away from providing group home services to integrated supported employment and supported living services for persons who experience disabilities. People supported by Options have gained skills, friends, increased independence, and richer lives as a result of their membership in the community.

The Indiana Conversion Task Force (CTF) is a group comprised of representatives of state agencies, advocacy organizations, Independent Living Centers, Community Rehabilitation Programs, and the Indiana Institute on Disability and Community. The purpose of the CTF is to promote a shift in philosophy, policies, funding, and services from facility-based community based employment and supports for adults with disabilities in Indiana.

The group has been meeting since 1997 in an advisory capacity. All of the goals listed in Exhibit V-12 reflect the priority of integrated community-based services and a reduction of congregate, segregated services. These priorities mesh with federal legislation (e.g., ADA, Workforce Investment Act/Rehabilitation Act) and State plans (e.g., FSSA work plan and 317 Task Force plan).

Exhibit V-12.
Indiana Conversion Task Force Priorities for FY2002-2003

Fiscal Recommendations

Fiscal Incentives:

- Provide fiscal incentives for community-based day services. Rates for supported employment and related community supports must be higher than for facility-based services.
- Eliminate new Title 20 funding to sheltered facilities.

Individualized Budgets:

- Tie funding to individuals to purchase integrated, community-based services and supports (including MRO, Title XX, Ticket-to-Work, group home day services money, Medicaid Waivers).

Philosophy/Practice Recommendations

Shift People from Facilities to Community:

- The number of people and the hours they are served in integrated employment and community activities will exceed the number and hours people spend in facility-based day services by the year 2006.

State Leadership:

- FSSA will promote a clear and consistent message prioritizing community and integrated employment services across all divisions.

Provider Standards:

- Provider Standards should make it very difficult for someone to enter and stay in facility-based services. Providers need to utilize person-centered planning and emphasize integrated services.

Medicaid Waivers & SE:

- Significantly increase use of Medicaid Waivers for supported employment with adequate funding.

Training & Technical Assistance:

- Provide training to agencies, case managers, etc. re: integrated employment and community services.

Source: Indiana Conversion Task Force Priorities, FY2002-2003.

Persons with HIV/AIDS

Total population. Among the 50 States and the District of Columbia, Indiana ranked 27th in HIV and AIDS prevalence, with an annual case rate of eight per 100,000 people in 2002. According to the Indiana State Department of Health, 208 new HIV and AIDS cases were reported in Indiana between October and December 2003.

In February 2003, AIDS Housing of Washington completed the *Indiana HIV/AIDS Housing Plan* for the Indiana Housing Finance Authority, the City of Indianapolis and The Damien Center. The study found that as of June 2002, there were a reported 3,368 people living with AIDS and another 3,668 people living with HIV who have not been diagnosed with AIDS Statewide. Since data have been collected on the epidemic, 11,994 people have been diagnosed with HIV and/or AIDS in Indiana.

The State has divided its service areas for people with HIV/AIDS into twelve geographic regions. As of December 2003, Region 1 (Gary) and Region 7 (Indianapolis) accounted for nearly 60 percent of people with living with HIV in Indiana. However, at least 240 cumulative cases of HIV and at least 124 people living with HIV and AIDS have been reported in each region since reporting began in 1986. Exhibit V-13 presents the number of people living with HIV by region as of December 2003.

Exhibit V-13. Number of people living with HIV by Region, December 2003

Source:
Indiana HIV/STD Quarterly Report,
December 2003.

Region	Counties	People living with HIV
1	Lake, LaPorte, Porter	1,047
2	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	484
3	Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	435
4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White	144
5	Blackford, Delaware, Grant, Jay, Randolph	176
6	Cass, Hamilton, Hancock, Howard, Madison, Miami, Tipton	424
7	Boone, Hendricks, Johnson, Marion, Morgan, Shelby	3,208
8	Clay, Parke, Putnam, Sullivan, Vermillion, Vigo	283
9	Dearborn, Decatur, Fayette, Franklin, Henry, Ohio, Ripley, Rush, Union, Wayne	120
10	Bartholomew, Brown, Greene, Lawrence, Monroe, Owen	243
11	Clark, Crawford, Floyd, Harrison, Jackson, Jefferson, Jennings, Orange, Scott, Switzerland, Washington	268
12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	334
	Total	7,166

The Indiana State Department of Health reported of the cumulative cases of HIV and AIDS reported through December 31, 2003, 85 percent of persons with HIV/AIDS in Indiana are male, while approximately 49 percent of the population as a whole is male. In addition to males, African Americans and Hispanics are also disproportionately more likely to have the disease. Although white residents of Indiana account for 89 percent of the State's population, only 65 percent of the State's residents with HIV and AIDS are white. Meanwhile, African Americans comprise only 9 percent of the State's population, yet account for almost one-third of residents living with HIV and AIDS.

According to the *Indiana HIV/AIDS Housing Plan*, approximately 800, or 12 percent, of the 6,408 persons with HIV/AIDS in Indiana reside in non-MSA counties; although 60 percent of the population resides in non-MSA counties.

Outstanding need. Providers of services to people with HIV/AIDS estimate that between 30 and 50 percent of the number of people with HIV/AIDS need housing. This suggests housing needs for between 2,150 and 3,583 people living with HIV/AIDS in the State. Part of the *Indiana HIV/AIDS Housing Plan* study included focus groups of people living with HIV/AIDS in Indiana. These focus groups cited housing affordability as the primary housing challenge. Other concerns noted by the focus group participants included the quality of housing that is affordable to them, the desire to live independently and confidentiality when accessing services. AIDS Housing of Washington also conducted a survey of 418 people living with HIV/AIDS throughout the State. Survey findings included:

- Survey respondents had very low-incomes;
- Many survey respondents received some housing assistance, but most still pay a large portion of their income for housing;
- Consistent with the preferences expressed, the majority of respondents lived alone and rented their homes;
- Behavioral health issues, such as mental health and substance abuse, affected a small but considerable percentage of people living with HIV/AIDS; and
- Many respondents had experienced homelessness.

The survey also collected income and cost burden data of respondents. Exhibit V-14 on the next page summarizes median income, median housing costs and the cost burden of respondents by region.

**Exhibit V-14.
Income and Cost Burden
of Survey Respondents,
2001-2002**

Source:

AIDS Housing of Washington, *Indiana
HIV/AIDS Housing Plan*, February 2003.

Region	Median Income	Median Housing Costs	Cost Burden
Region 1 (Gary)	\$665	\$415	52%
Region 2 (South Bend)	\$597	\$371	54%
Region 3 (Fort Wayne)	\$601	\$398	52%
Region 4 (Lafayette)	\$653	\$309	52%
Region 5 (Muncie)	\$595	\$500	53%
Region 6 (Anderson)	\$787	\$467	38%
Region 7 (Indianapolis)	\$591	\$413	44%
Region 8 (Terre Haute)	\$551	\$513	78%
Region 9 (Richmond)	\$635	\$314	37%
Region 10 (Bloomington)	\$764	\$453	50%
Region 11 (Jeffersonville)	\$617	\$293	45%
Region 12 (Evansville)	\$598	\$350	43%

The *Indiana HIV/AIDS Housing Plan* reported there were 143 existing housing units for persons with HIV/AIDS in 2001 and 190 persons receiving long-term rental assistance with HOPWA dollars. Assuming the total number of persons with HIV/AIDS with a need for housing assistance to be 2,111 (30 percent of the HIV/AIDS population), the State faces an outstanding need of over 1,778 housing units for persons with HIV and AIDS. Surveys indicate that among persons living with HIV/AIDS, most desire to live in single family homes rather than apartments. The most desired types of housing subsidies are mortgage or rental assistance, followed by subsidized housing and units with some supportive services.

Barriers to housing. In addition to living with their illness and inadequate housing situations, persons with HIV and AIDS in need of housing face a number of barriers, including discrimination. The co-incidence of other special needs problems with HIV/AIDS can make some individuals even more difficult to house. For example, 10 percent of *Indiana HIV/AIDS Housing Plan* survey respondents indicated alcohol or drug use. Approximately 12 percent of HIV/AIDS survey respondents indicated mental health or psychiatric disability. Because of the frequent concurrence of substance abuse and mental illness with HIV/AIDS and the need for health care and other supportive services, many of those with HIV/AIDS can be very difficult to serve.

Additionally, the study's Steering Committee, consumers, providers of HIV/AIDS services and survey respondents identified the following barriers to achieving and maintaining housing stability:

- Poor credit;
- Recent criminal history;
- Poor rental history, including prior eviction and money owed to property managers; and
- Active substance abuse.

Housing. The 11 regions of the State that are covered by the State HOPWA funds (Region 7, which includes Indianapolis, is funded separately through the City of Indianapolis) provide a total of 143 housing units dedicated to persons living with HIV/AIDS as of 2001. In addition to the units set aside for persons with HIV/AIDS Statewide, each of the 11 geographic service areas are available to assist persons with HIV/AIDS through short-term rental assistance, long-term rental assistance, housing referrals and other supportive services. From June 2003 to February 2004, there were 90 tenant-based rental assistance vouchers. Exhibit V-15 on the following page shows, by geographic service area, the number of persons with HIV/AIDS who were supported through either short-term or long-term rental assistance between July 2003 and February 2004.

Exhibit V-13.**Short- and Long-Term Rental Assistance for Persons with HIV/AIDS by Geographic Service Region, July 1, 2003 to February 2004**

HIV Care Coordination Region (City)	Region Name	Tenant-Based Rental Assistance	Short-Term Rent, Mortgage and/or Utility Assistance
Region 1 (Gary)	Greater Hammond Community Services, Inc.	34	7
Region 2 (South Bend)	AIDS Ministries/AIDS Assist of North Indiana	13	21
Region 3 (Fort Wayne)	AIDS Task Force of Northeast Indiana	7	52
Region 4 (Lafayette)	Area IV Agency on Aging and Community Action Programs	7	11
Region 5 (Muncie)	Open Door Community Services	1	16
Region 6 (Elwood)	The Center for Mental Health	4	10
Region 8 (Terre Haute)	Area VII Agency on Aging and the Disabled/West Central Indiana Economic Development District	11	12
Region 9 (Richmond)	AIDS Task Force of Southeast Central Indiana	6	22
Region 10 (Bloomington)	Positive-Link/Bloomington Hospital	9	26
Region 11 (Jeffersonville)	Clark County Health Department (Hoosier Hills AIDS Coalition)	2	3
Region 12 (Evansville)	AIDS Resource Group and Evansville Housing Authority	<u>4</u>	<u>23</u>
	Total	98	203

Note: Region 7 (Indianapolis) is funded separately through the City of Indianapolis.

Source: IHFA, February 19, 2004.

Resources. The primary source of funding for HIV/AIDS housing is the Housing Opportunities for People with AIDS (HOPWA) program. From July 2003 to June 2004, IHFA allocated \$768,129 in HOPWA funds to 12 agencies in 11 of the State's 12 regions (Region 7, which includes Indianapolis, is funded separately through the City of Indianapolis). These funds are available for use as rental subsidies, as well as emergency services, such as utility assistance and emergency medicine. Awards of HOPWA funds are made on an annual basis. Exhibit V-16 displays the HOPWA awards made for July 2003 through June 2004.

Exhibit V-16.
HOPWA Awards by Category of Service, July 2003 to June 2004

Category of Service	Award Amount	Percent of Total
Tenant-based Rental Assistance	\$385,624	50%
Short-term Rental, Mortgage and Utility Assistance	142,421	19%
Support Services	\$128,738	17%
Housing Information	\$27,900	4%
Program Delivery (Tenant-based Rental and Short-term Assistance)	\$33,176	4%
Administration	\$43,042	6%
Resource Identification	\$500	0%
Operating Costs	\$6,728	1%
Total	\$768,129	100%

Source: IHFA, February 2004.

Exhibit V-17 presents the allocation of funds by counties served, projects sponsors, allocation amount and percent of total HOPWA funding from July 2003 to June 2004 for the State of Indiana HOPWA program, outside of the Indianapolis MSA.

Exhibit V-17.**HOPWA Program Awards by Region and Activity, July 2003 to June 2004**

Region	Counties Served	Project Sponsor	Award Amount	Percent of Total
1	Lake, LaPorte, Porter	Greater Hammond Community Services, Inc.	\$192,000	25.0%
1	Lake, LaPorte, Porter	Brothers Uplifting Brothers, Inc.	\$30,000	3.9%
2	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	AIDS Ministries/AIDS Assist of North Indiana	\$104,159	13.6%
3	Adams, Allen, Dekalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	AIDS Taskforce of Northeast Indiana	\$101,062	13.2%
4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White	Area IV Agency on Aging and Community Action Programs	\$37,019	4.8%
5	Blackford, Delaware, Grant, Jay, Randolph	Open Door Community Services	\$42,508	5.5%
6	Cass, Howard, Miami, Tipton	The Center for Mental Health	\$27,869	3.6%
8	Clay, Parke, Putnam, Sullivan, Vermillion, Vigo	Area VII Agency on Aging and the Disabled/West Central Indiana Economic Development District	\$60,384	7.9%
9	Decatur, Fayette, Franklin, Henry, Ripley, Rush, Union, Wayne	AIDS Task Force of Southeast Central Indiana (Richmond)	\$27,447	3.6%
10	Bartholomew, Brown, Greene, Lawrence, Monroe, Owen	Positive-Link/Bloomington Hospital	\$55,457	7.2%
11	Crawford, Jackson, Jefferson, Jennings, Orange, Switzerland, Washington	Hoosier Hills AIDS Coalition/Clark County Health Department	\$13,372	1.7%
12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	AIDS Resource Group of Evansville, Inc.	<u>\$76,852</u>	<u>10.0%</u>
Total			\$768,129	100%

Note: Region 7 (Indianapolis) is funded separately through the City of Indianapolis.
Source: IHFA, February 19, 2004.

In addition to HOPWA funds, the Indiana State Department of Health administers four additional programs for people living with HIV/AIDS, including:

- *HIV/AIDS Services Program:* This program is State-funded. This program pays for care coordination at 18 sites throughout the State. Funding for grant year 2004-2005 is \$2,452,500.
- *Special Population Support Program:* This program is State-funded administered by the FSSA. This program provides substance abuse and mental health support services throughout the State. Funding for grant year 2004-2005 is \$900,000.
- *HIV/AIDS Education Program:* This program is State-funded. This program pays for prevention and education programs. Funds are sub-granted to community action programs throughout the State. Funding for grant year 2004-2005 is \$674,802.
- *Social Services Block Grant:* This program is federally funded. This program also provides care coordination at two of the 18 sites throughout the State. Funding for grant year 2004-2005 is \$561,206.
- *Ryan White CARE Act – HIV Medical Services Program.* This program is federally funded and awarded to the State. Title II of the Ryan White CARE Act in Indiana primarily is used to purchase HIV medications, services and insurance coverage for eligible HIV positive state residents. The program is known simply as the HIV Medical Services Program. The expected award for 2004 is \$10,080,837. Eligible applicants must be living below 300 percent of the federal poverty level and must not have access to public or private health coverage. The program is administered centrally by the State Department of Health and a contracted third-party claims payer. Participants are required to enroll in the State’s case management program (Care Coordination) as well. A portion of the award covers normal administration costs, quality management projects, advisory council expenses, and special set-aside projects (i.e., Emerging Communities and Minority AIDS Initiative).

Persons with Physical Disabilities

Total population. Estimates of the total population in Indiana with physical disabilities vary according to the definition of disability. The 2000 Census definition of disability encompasses a broad range of categories, including physical, sensory and mental disability. The Census classifies individuals as having a disability if any of the following three conditions are true:

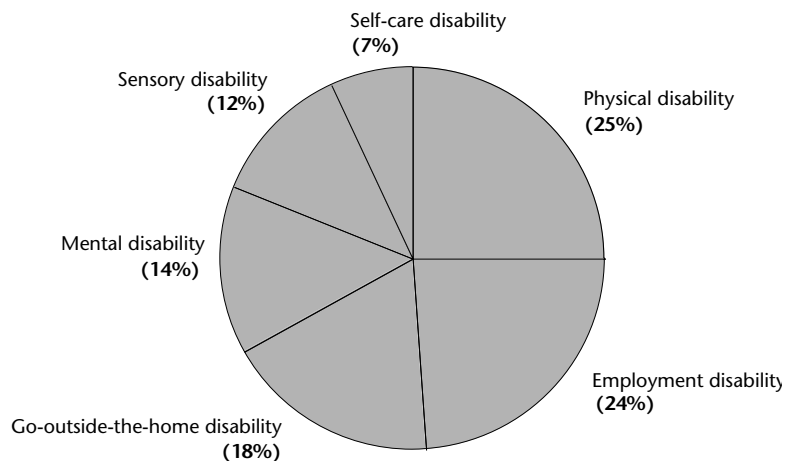
- They were five years old and over and, on the 2000 Census survey, had a response of “yes” to a sensory, physical, mental or self-care disability;
- They were 16 years old and over and had a response of “yes” to going outside the home disability; or
- They were 16 to 64 years old and had a response of “yes” to employment disability.

The Census definition of people with disabilities includes individuals with both long-lasting conditions, such as blindness, and individuals that have a physical, mental or emotional condition lasting 6 months or more that makes it difficult to perform certain activities. In 2000, 1,054,757 Hoosiers over the age of five indicated disability status. Nearly 321,000 lived in entitlement cities, indicating that approximately 734,000 persons with disability status resided in rural areas.

The 2000 Census also reports total disabilities by type of disability for the population five years and older. Exhibit V-18 below displays the distribution of *types of disabilities* in Indiana in 2000.

Exhibit V-18.
Types of Disabilities, 2000

Source:
U.S. Bureau of the Census, 2000.



Of all disabilities, physical disability is the most prevalent, comprising one-quarter of all types of disabilities. According to the U.S. Census, seniors aged 65 and over compose 45 percent of persons with a physical disability, and 28 percent of all elderly had some form of physical disability.

Outstanding need. The Governor’s Planning Council for People with Disabilities (GPCPD) recently conducted a consumer survey of nearly 1,400 Indiana residents with disabilities and held various focus groups with representatives from nonprofit organizations and advocacy groups as part of their *Five Year State Plan for People with Disabilities* (2001–2005). Through their research, they identified the following “key issues” for Indiana residents with disabilities:

- **Home and community-based services.** Indiana residents with disabilities believe that services delivered to their homes and places of work provide the greatest benefit, and they desire more options and greater investment in the implementation of such services.
- **Waiting lists.** Currently, thousands Hoosiers with disabilities are waiting for home and community-based care services. According to the GPCPD report, “The issue is not just that waiting is hard, but many people’s conditions deteriorate while they are waiting for services.”
- **Full utilization of Vocational Rehabilitation Services funds.** Indiana residents with physical disabilities who participated in the survey indicated that they believe the available Vocational Rehabilitation Services programs are currently under-utilized.

A recent study, *Priced Out in 2002*, compared average monthly SSI payments with rental housing costs at the national level and for each State. The study concluded that persons with disabilities receiving SSI income support lost “buying power” in the nationwide rental housing market over the past two years. The study also found that in Indiana, the monthly SSI benefit of \$545 represents only 16.6 percent of Statewide one-person median income. A person with disabilities receiving SSI income support in Indiana would have to pay 83.5 percent of this monthly benefit to be able to rent a modestly priced one-bedroom unit. (In 2004, the SSI benefit was raised to \$564 per individual — an increase of \$19).

Housing direction established by the Governor’s Council. The latest Five Year State Plan for People with Disabilities identifies self-determination, employment, and community inclusion as three primary objectives to be addressed for persons with disabilities. Research presented in the plan indicates that persons with disabilities want to live in a community with privacy, safety, and without fear of being raped, abused or belittled. They need supportive services to make this possible. Some require the support of assisted living, but not regimentation. Those who are married expect to be able to live together. Group homes and Independent Living Centers are helping people become more self-sufficient, but they need well-trained, permanent staff who can teach life skills.

Issues addressed through the community inclusion objective involve the reliance on sheltered, segregated services, a dependent living bias and a lack of commitment to community integration (as evidenced by the small number of community-based support systems, the large number of people in nursing homes and the lack of accessible, affordable housing).

The GPCPD has identified the following four objectives aimed at addressing the community inclusion initiative:

- Increase the number of children with disabilities, including those with emotional disabilities, in inclusive educational settings;
- Increase the number and quality of community living supports that enable people with disabilities and families to participate in inclusive community activities of their choice;
- Expand the number of people with disabilities who have accessible, affordable housing; and
- Expand the availability of accessible, affordable public and private transportation throughout the State, especially in rural areas.

Resources. GPCPD plans to address the objective of expanding the number of persons with disabilities who have accessible, affordable housing through the implementation of the following strategies:

- Promote interagency coordination around quality housing;
- Build supports that enable people to live in their own houses;
- Educate about and advocate for the benefits of universal design with housing designers, developers and builders as well as the general public; and
- Promote awareness in the housing industry that persons with disabilities are viable customers.

In addition, the Five Year Plan identifies a vision for the future of community living for persons with disabilities. This vision includes the establishment of affordable and accessible, individualized and dispersed housing for people with disabilities of all ages throughout the community, and the direction of funding away from services/buildings that congregate people with disabilities. This vision includes the provision of individualized supports to meet people's needs in their own homes (ownership or rental).

Many of the programs (including CDBG and HOME) available to persons with developmental disabilities are also available to persons with physical disabilities. Individuals with physical disabilities also have access to the following financial and supportive service programs to help meet their housing and support needs:

- Supplemental Security Income (SSI) is a federal income support program that is available to people who have disabilities and limited income and resources. Effective January 2004, the SSI basic benefit payment is \$564 a month for an eligible individual and \$846 a month for an eligible couple. The State of Indiana does not add any money to the basic benefit.
- Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) is a State funded program that supports the elderly and people with disabilities. It can cover financial assistance for home modifications and various in-home supports (e.g., personal attendant care). In 1998 (the date of the last available data), approximately 1,800 Indiana residents with physical disabilities received CHOICE funds (18 percent of the total number of CHOICE fund recipients). In SFY2001 there were a total of 12,537 persons served by CHOICE and 2,666 of those residents (21 percent) were under 60 years with physical disabilities. The number of residents over 60 years with physical disabilities was not provided.
- Medicaid services are available meet the needs of individuals living in the community, large and small congregate facilities or who are receiving care in a hospital. Medicaid waivers make Medicaid funding available for home and community based services that have the support services they need to live in their own homes. Medicaid waiver funding cannot be used to cover the cost of housing, although up to \$10,000 can be used for environmental modifications. In 1999, 71,682 Indiana residents with disabilities received over \$100 million in Medicaid funds. Effective July 1, 2003 Medicaid participants receiving institutional care who are clients of the Autism and Developmental Disability waiver programs will have \$1,000 available to them for out-of-pocket expenses when transitioning from institutions to community settings. The allowance will pay for the client's initial security deposit on an apartment, essential furnishings, pest eradication and set up fees for utilities and telephones.

Persons with Mental Illness or Substance Abuse Issues

Total population. It is appropriate to consider persons with mental illness and those with substance abuse issues together because Indiana uses one system to serve both of these populations.⁸ The most recent estimates developed by the State's Division of Mental Health place the population of persons with mental illnesses at approximately 236,831. A recent actuarial study estimates the target population for State services (e.g., the poorest and least able to secure services) at 68,311.

It is estimated that 0.43 percent of Indiana's population are substance abuse clients in specialty treatment units on any given day. Given the 2003 population of 6,195,643 people, this would result in a total of 26,641 substance abuse clients Statewide.

If the prevalence of mental illness and substance abuse were the same in nonentitlement areas as the State as a whole, they would be home to approximately 145,000 people with mental illness and 15,776 substance abuse clients.

Exhibit V-19 below displays the number of people served by the Indiana Division of Mental Health and Addiction (DMHA) from July 1, 2002 to June 30, 2003. The clients identified are all adults (18 years and older) who received services through community mental health centers and/or managed providers funded by the Indiana DMHA and Addiction Hoosier Assurance Plan (HAP). Clients included met specific income and diagnostic criteria. The number of individuals displayed below represents an unduplicated count of persons. Individuals are entered only once into the DHMA database per fiscal year, and may only be categorized in one "agreement type," i.e. seriously mentally ill, chronically addicted/substance abuse, per fiscal year.

Exhibit V-19. Number of People Served by the Indiana DMHA, July 2002 to June 2003

Population	Homeless	Not Homeless	Not Applicable	Rural	Urban	Total
Seriously Mentally Ill	1,427	43,172	3,419	11,999	36,019	48,018
Chronically Addiction	1,804	18,211	4,280	5,380	18,915	24,295
Compulsive Gambling Addiction	<u>13</u>	<u>116</u>	<u>24</u>	<u>22</u>	<u>131</u>	<u>153</u>
Total Population	3,244	61,499	7,723	17,401	55,065	72,466

Source: Indiana Division of Mental Health and Addiction, e-mail from Yuri Kirilusha, 2/26/2004.

⁸ Persons with mental illness are also often referred to as "persons with psychiatric disabilities." This report uses the term "persons with mental illness," which is currently used by HUD.

Outstanding need. One method of determining outstanding need among persons with mental illness in the State is to compare the current availability of supportive services slots with the current need. As of 2000, there were 1,335 supportive services slots for individuals in Indiana, 291 less than the estimated need of 1,626. For families in need of supportive services, a demand of 900 slots exists, exceeding the supply of 810 by 90. Persons with serious mental illness face an even bigger gap between need and availability of services. While an estimated 616 supportive services slots exist for individuals and 78 for families, approximately 955 slots are needed for individuals and 339 for families – creating an outstanding need of 616 for individuals and 282 for families.

It is estimated that there are 97.5 beds available for substance abuse treatment per 100,000 people in the United States. Given this estimate, Indiana would have 5,662 total beds targeted to persons with substance abuse.

FSSA served 38,199 Hoosiers suffering from mental illness in 2001. Among this group, 70 percent were in independent living situations, i.e., living in their own homes or apartments or in independent living situations with parents or relatives. An additional 14 percent were living with parents, guardians or other caregivers, 3 percent were homeless and 7 percent were living in group homes, institutions or other supervised, dependent settings. Approximately 73 percent of clients served by FSSA in 2001 were from urban areas in the State; 27 percent were from rural areas; 40 percent of FSSA clients with mental illnesses were not in the labor force in 2001; 31 percent were unemployed; 4 percent worked full time; and 11 percent worked less than full time.

The FSSA completed their third annual State Operated Facilities (SOF) Community Readiness Report. The study, also known as the State Hospital Client Readiness Assessment, is part of the DHMA mandate to develop plans for the State operated psychiatric facilities. This mandate, which comes from both State and federal resources, requires that the plan be based on individual client assessments relative to the clients' readiness for community-based care. Community Mental Health Centers (CMHC) and State Hospitals evaluated 650 consumers in State operated facilities in August 2002. Consumers with a serious mental illness (SMI) constituted 510 (or 78 percent) of those evaluated. Consumers were evaluated based on the expected date at which they would be ready to leave the hospital and the availability of the kind of setting that they would need. Exhibit V-20 displays the results of the evaluation.

Exhibit V-20.
Community Setting Availability, 2002

All Populations (SMI, MICA and SED)	Setting Exists	Setting Being Developed	Setting Full with Waiting List	Setting Exists Out of Home Area	Setting Does Not Exist	Total
Ready for discharge	8%	1.2%	3%	1%	1%	14%
1 month to 6 months	20%	3%	6%	1%	0.5%	31%
6 to 12 months	12%	2%	4%	0%	1%	18%
1 to 2 years	8%	0.5%	2%	1%	2%	13%
2 years or more	5%	0.2%	0%	1%	6%	12%
May never be ready	<u>4%</u>	<u>0%</u>	<u>0.5%</u>	<u>1.1%</u>	<u>6%</u>	<u>12%</u>
Total	56%	7%	15%	5%	16%	100%

Note: SMI = Serious Mental Illness, MICA = Chemically Addicted, and SED = Serious Emotional Disturbance.

Source: State Operated Facilities Community Readiness Report. SFY 2003.

As shown in the table above, 14 percent of the total 650 consumers were determined to be ready for discharge at the time of the assessment. This 14 percent was evenly distributed throughout the State. Overall, 202 or 31 percent of seriously mentally ill (SMI), mentally ill and chemically addicted (MICA) and serious emotional disturbance (SED, includes only children and adolescents) populations were evaluated to be placement ready within one to six months.

The study found that 56 percent of all consumers assessed had an existing setting available, or would have a setting available at the time of discharge. The majority of the balance of consumers, regardless of their discharge status, were categorized under facilities that were full with a waiting list (15 percent) and/or did not have facilities that would suit their needs (16 percent).

In terms of placement needs, supervised group living (SGL) settings were determined most appropriate for 220, or 43 percent, of the SMI population. Ten percent were determined to need placement within a medical or nursing facility for extended care. A total of 58 MICA consumers were assessed; 26 percent were evaluated to need specialized residential treatment services for substance abusers, and 48 percent were divided equally indicating discharge to their family/personal home or a need for supervised group living. For SED consumers, it was anticipated that 65 percent of these children and adolescents would need to return to a family setting.

Provision of housing to persons who are mentally ill or abuse substances in rural areas is difficult due to two factors. First, rental properties, particularly apartments, are less common outside of large cities. Additionally, HUD's scoring system for Section 811 grants uses minority participation as a significant factor in evaluations. Given the small number of minorities in the State's nonentitlement areas, this requirement puts applications from such areas at a disadvantage from the outset. Due to these factors, and the fact that all of the State's Mental Health Services for Homeless Persons with Mental Illness (PATH) programs are located in large cities, it seems likely that there is an outstanding need for housing for the mentally ill and for individuals with substance abuse problems in nonentitlement areas in Indiana.

Resources. Through the Hoosier Assurance Plan, the State's Division of Mental Health contracts with managed care providers who provide services to individuals requiring mental illness or substance abuse treatment and who have annual incomes falling beneath 200 percent of federal poverty guidelines. The Division has statutory authority for 44 managed care providers Statewide. Each provider is reimbursed on a per consumer basis from the State. Since Indiana is consciously trying to downsize its State hospitals and de-institutionalize its mental health system, Community Mental Health Centers (CMHC) are also allowed to "cash in" allocated State hospital beds for additional resources. CMHCs provide the following mandated services: inpatient services, partial hospitalization/psychosocial rehabilitation, residential services, outpatient services, consultation, education and community support. Priority populations are adults with chronic mental illness and children and adolescents who are seriously emotionally disturbed. In 2001, the Hoosier Assurance Plan supported more than 84,000 persons with mental illness.

In 2001, the Indiana division of the National Alliance for the Mentally Ill (NAMI) conducted a residential survey of CMHCs throughout the State. Approximately 30 CMHCs responded to the survey and reported nearly 1,900 beds or units available for people with mental illness. The survey identified units that were owned by CMHCs, in addition to subsidized units or residences for clients they served. Types of units included group homes, HUD apartment complexes, cluster homes, assisted living, emergency housing and home-based services, among other types of living arrangements. Exhibit V-21 on the following page displays the CMHCs who completed the survey and the number of beds/units they have available.

Exhibit V-21.
2001 NAMI Indiana Survey of Community Health Mental Centers

Resource	Area Served	Units/Beds
The Center for Mental Health	Anderson	70
Center for Behavioral Health	Bloomington/South Central Indiana	N/A
BehaviorCorp	Marion, Boon, Hamilton Counties	50
Quinco Behavioral Health Systems	Columbus, North Vernon, Seymour	44
Cummins Mental Health Center, Inc.	Greencastle, Brownsburg	13
Tri-City Community Mental Health Center	Hammond, Munster, Whiting, East Chicago	40
Oaklawn Psychiatric Center	Elkhart	33
Southwestern Indiana Mental Health Center, Inc.	Evansville	40
Park Center	Fort Wayne	140
Edgewater Systems Residential Services	Gary	72
Adult & Child Mental Health Center	Indianapolis	N/A
Gallahue Mental Health Center	Indianapolis	57
Midtown Community Mental Health Center	Indianapolis - Center, Wayne Townships	96
Southern Hills Counseling Center, Inc.	Jasper	10
LifeSpring Mental Health Services	Jeffersonville	377
Northeastern Center, Inc.	Kendallville	20
Howard Community Hospital	Kokomo	40
Community Mental Health Center	Lawrenceburg	N/A
Four County Counseling Center	Logansport, Cass County	41
Grant-Blackford Mental Health, Inc.	Marion, Grant County	130
Southlake Center for Mental Health	Merrillville, Schererville, Lake County	85
Swanson Center	LaPorte County, Michigan City	28
Comprehensive Mental Health Services, Inc.	Muncie	91
Dunn Center	Richmond	98
Madison Center and Hospital	South Bend	83
Hamilton Center, Inc.	Terre Haute and Marion	55
Porter-Starke Services, Inc.	Valparaiso	15
Samaritan Center	Vicennes	55
Bowen Center	Warsaw	79
Wabash Valley Hospital	West Lafayette	N/A
Entitlement areas		887
Nonentitlement areas		975
Total		1,862

Note: It is likely that this estimate is slightly lower or higher as the survey was conducted in 2001.

Source: Indiana National Alliance for the Mentally Ill, 2001.

The Division of Mental Health supports eight Mental Health Services for Homeless Persons with Mental Illness (PATH) teams and four CMHCs with Shelter Plus Care programs. These provide housing, job training, case management, medical services and referrals. In addition, most CMHCs also serve persons experiencing homelessness through referrals from other agencies. It should be noted that the PATH teams are all located in Indiana's six largest cities, meaning that few of these housing services are available in nonentitlement areas. A PATH-like team has recently been funded at the Center for Mental Health in Anderson using Mental Health Block Grant funds.

In addition to State-provided services, Indiana's statutes require employers who provide mental health coverage to provide it in full parity with physical health coverage. Furthermore, the State's Children's Health Insurance Program provides full parity for mental illness.

As noted earlier, the State's Continuum of Care recently addressed the needs of people with mental illness who are also homeless. In regard to this population, the Homeless Task Force's 2003-2004 goals aim to:

- Improve working relationships between mental health centers and homeless providers to ensure better access to services by mentally ill homeless persons (ongoing);
- Survey mental health centers by December 2002 (completed);
- Develop model service agreements (ongoing);
- Establish service agreements between at least 75 percent of the mental health centers with homeless service providers by May 2003 (ongoing - DMHA reports that many of the mental health centers have good verbal agreements in place with homeless service providers. DMHA is reviewing how those agreements are working out.); and
- Highlight mental health centers that have established strong relationships with homeless service providers at the March 2003 training sessions (ongoing – Did not do in 2003. Task Force will include with 2004 CoC trainings).

Migrant Agricultural Workers

Total population. By definition, the number of migrant agricultural workers in Indiana fluctuates and, consequently, is difficult to measure. The most recent count identified a total of 3,552 migrant workers employed by 130 employers throughout the State. However, this count does not include seasonal workers, which are very difficult to measure due to their transient nature. Thus, the total of migrant and seasonal workers is much higher than this identified count. Due to the difficulty of locating workers, service providers estimate the State's annual population of migrant workers at about 8,000. Records from the Department of Labor's Transition Resources Program indicate that over 85 percent of migrant farm workers that receive services are Latino and nearly 50 percent have limited English-speaking abilities.

Outstanding need. There are no recent studies of the needs of migrant farm workers in Indiana. The most comprehensive and recent studies of such needs are at the national level. However, the findings from the studies offer insight into this population's needs in the State.

A 2001 nationwide survey of the migrant worker population by the Housing Assistance Council found that the median monthly income for migrant worker respondents was \$860, and the median monthly housing cost was \$345. Excluding units where no rent was charged, the median housing cost was \$380. Three in five units were occupied by households with incomes at 80 percent or less of Area Median Income (AMI). Thirty-eight percent of migrant worker households surveyed had incomes of 50 percent or less of AMI, and 17 percent had incomes 30 percent or less of AMI.

The 2001 Housing Assistance Council survey indicated that 45 percent of migrant agricultural workers live in either single or multifamily housing. Employers owned 25 percent of all units, and 57 percent of employer-owned units were provided free of charge.

Serious structural problems, including sagging roofs, house frames or porches, were evident in 22 percent of the units surveyed and 15 percent had holes or large sections of shingles missing from their roofs. Foundation damage was evident in 10 percent of all units and windows with broken glass or screens were found in 36 percent of the units. Unsanitary conditions, such as rodent or insect infestation, were evident in 19 percent of the units surveyed and 9 percent had frayed wiring or other electrical problems present. More than 10 percent of units lacked a working stove, 8 percent lacked a working bath or shower and more than 9 percent lacked a working toilet.

The 2001 Housing Assistance Council survey found that crowding was extremely prevalent among migrant worker housing units. Excluding dormitories and barracks (structures designed for high occupancy), almost 52 percent of all units were crowded (defined as having a mean of more than one person per room, excluding bathrooms). Among crowded units, 74 percent had children present.

The U.S. Department of Labor's National Agricultural Workers Survey (NAWS) has been a consistent source of information on the demographics, working, and living conditions of agricultural workers in the United States. Since 1988, the NAWS has surveyed more than 25,000 workers. The most recent survey for which data are available was conducted between 1997 and 1998.

The majority of workers surveyed in 1997-1998 were paid by the hour, although this varied by type of work. About one-third of workers performing "harvest tasks" were paid piece rates (e.g., paid by amount of units harvested). The average wage earned by a worker in 1997-1998 was \$5.94 per hour, and about 12 percent of all workers earned less than the minimum wage. The survey compared wages over time and found that the purchasing power of agricultural worker wages has been declining. Workers' wages have dropped (in real terms) since 1989, from \$6.89 to \$6.18 per hour. On an annual basis, about half of all workers surveyed reported earning less than \$7,500 per year.

According to the NAWS survey, most workers did not receive benefits as part of their employment. Only 41 percent were covered by unemployment insurance and just 33 percent were covered by workers compensation insurance.

The NAWS survey included very few questions about the specific health and living conditions of agricultural workers. In the 1997-1998 survey, 2 percent of workers reported that they did not have access to drinking water at their worksite. Sixteen percent reported not having water with which to wash and 13 percent reported that toilets were not available at work.

Although most migrant workers do not have a choice about the type of housing they will have, studies have indicated that they express preferences for living in mixed or homogeneous housing. Many unaccompanied men prefer living in mixed housing because it fosters a sense of community. Families, however, prefer to be in family-only facilities. A recent survey found that most housing managers and crew leaders are wary of placing families and unaccompanied men in the same facility.

Resources. Historically, growers have provided housing for migrant workers in Indiana. These housing facilities are licensed by the Indiana State Department of Health and are held to minimum standards, including windows and a source of heat. Indoor faucets or plumbing are not required under the standards, and most camps have common showers, restrooms and facilities for washing clothes. It should be noted that structures built before the adoption of these standards are acceptable under a grandfather clause, meaning that some families live in cabins as small as 10 by 12 feet in dimension. According to service providers, grower provided housing is more common in central and northern Indiana, while workers in the southern part of the State typically find housing independently.

As of September 2003 there were 52 state-licensed migrant labor camps in Indiana. The camps provided by the growers of the agriculture produce, and the migrant workers pay rent. Anywhere from 50 to 350 live in grower-provided camps. These camps are inspected at least once a month during the growing season by the Department of Health.⁹

Aside from grower provided housing, migrant workers are left to find housing for themselves in surrounding areas. The funding sources available for the development of migrant worker housing are those used by all developers of affordable housing seeking subsidies and can be very competitive.

Several migrant farm worker housing developments have been built recently, using CDBG funding. The following exhibit shows the migrant farmworker housing projects from 1998 to the present.

Exhibit V-22.
Migrant Farmworker Housing Projects, Indiana

Grantee	Current Award	Date Board Awarded	Status
Town of Orestes	\$388,900	January 2003	Open
City of Elwood	\$499,000	January 2003	Open
The Board of Commissioners of the County of Knox	\$400,000	September 2002	Open
The Board of Commissioners of the County of Fountain	\$427,600	August 2001	Closed
Knox County	\$444,500	July 1999	Closed
Elkhart County Government	\$299,998	November 1998	Closed

Source: Indiana Housing Finance Agency.

⁹ *Indiana Health Centers Serves Migrant Workers*, Indiana State Department of Health – Express, September 24, 2003.

In December 2003 USDA Rural Development announced a \$250,000 low interest Farm Labor Housing Loan to a farm corporation to build housing in Pulaski County. This is the first time that funding for farm labor housing has been made available by USDA Rural Development in Indiana. The farm labor housing, known as Gollier City Migrant Housing Facility, consists of eight units providing housing for 48 workers. The Farm Labor Housing Loan and Grant program provides financing for the development of housing for farm laborers. Funds can be used to purchase a site or a leasehold interest in a site; to construct housing, day care facilities, or community rooms; to pay fees to purchase durable household furnishings; and to pay construction loan interest.¹⁰

In addition, special outreach services are provided to reach migrant worker populations through the Comprando Casa program, a homeownership education program run by Rural Opportunities, Inc. (ROI), designed specifically for the Hispanic/Latino population. In 2002, ROI received an American Express Foundation grant for *Hablemos de Dinero*, a Spanish language based financial literacy program for migrant workers throughout the State. The program also focuses on building basic money management skills. This ROI initiative is designed to help the Hispanic/Latino migrant worker population become familiar with the American banking system, decrease predatory lending, address credit issues and create a stepping stone to homeownership training. While the program provides aid to all migrant/seasonal farm workers, it specifically targets farm workers who are settling in Indiana for their homeownership training program. Additionally, ROI offers technical assistance, i.e. information and referral services to promote improvement of farm worker housing, to growers.

A Migrant Task Force has also been formed to provide information sharing and coordination of migrant worker services throughout Indiana. The task force meets monthly and includes the following members:

- Consolidated Outreach Project (provides migrant health services, referrals and follow up for other needs);
- Transition Resources (migrant employment and training services);
- Indiana Department of Education;
- Texas Migrant Council;
- Indiana Department of Labor;
- Indiana Legal Services; and
- Indiana Department of Workforce Development.

The Task Force has begun meeting and is discussing the following:

- A description of the role of the committee;
- How often the committee will meet;
- Specific targeted goals;
- Measurable outcomes; and
- Goals the committee plans to achieve.

¹⁰ *USDA Awards Funding for Farm Labor Housing in Pulaski County*, USDA Rural Development, December 15, 2003.

Implications

The many needs of the populations discussed above, combined with the difficulties in estimating the extent of such needs, can be overwhelming. Furthermore, the dollars available to serve special needs populations are limited, and these groups often require multiple services. Exhibit V-23 on the following page attempts to identify the greatest needs of each special needs populations and shows the primary resources available to meet these needs. As discussed in the text, these needs are often more pronounced in rural areas due to lack of services.

Exhibit V-23.
Summary of Special Needs and Available Resources

Population	Housing Need	Community Need	Primary Resource Available
Youth	Affordable housing Transitional housing with supportive services Rental vouchers with supportive services	Job training Transitional living programs Budgeting	HUD's FUP Medicaid Transitional Living Program Chafee Foster Care Independence Program IHFA Education and Training Voucher Program
Elderly	Rehabilitation/repair assistance Modifications for physically disabled Affordable housing (that provides some level of care)	Public transportation Senior centers Improvements to infrastructure	CDBG CHOICE HOME/IHFA Home Equity Conversion Mortgage Program Medicaid Public Housing Section 202 Section 8 USDA Rural Housing Services
Homeless	Beds at shelters for individuals Transitional housing/beds for homeless families with children Affordable housing for those at risk of homelessness	Programs for HIV positive homeless Programs for homeless with substance abuse problems Programs for homeless who are mentally ill	ESG CDBG HOME/IHFA HOPWA IDOC ISDH County Step Ahead Councils County Welfare Planning Councils Local Continuum of Care Task Forces Municipal governments Regional Planning Commissions State Continuum of Care Subcommittee

Source: BBC Research & Consulting, 2004.

Exhibit V-23. (continued)
Summary of Special Needs and Available Resources

Population	Housing Need	Community Need	Primary Resource Available
Developmentally Disabled	Semi-independent living programs Group homes	Smaller, flexible service provision Community settings for developmentally disabled Service providers for semi-independent Integrated employment programs	CDBG CHOICE HCBS HOME/IHFA SSI Medicaid Section 811 Olmstead Initiative Grant DDARS BDDS Supported Living Supported Group Living
HIV/AIDS	Affordable housing for homeless people with HIV/AIDS Housing units with medical support services Smaller apartment complexes Housing for HIV positive people in rural areas Rental Assistance for people with HIV/AIDS Short term rental assistance for people with HIV/AIDS	Support services for AIDS patients with mental illness or substance abuse problems Medical service providers Public transportation	HOME/IHFA HOPWA Section 8 ISDH
Physically Disabled	Housing for physically disabled in rural areas Apartment complexes with accessible units Affordable housing for homeless physically disabled	Public transportation Medical service providers Integrated employment programs Home and community-based services	CDBG CHOICE HOME/IHFA SSI Medicaid Section 811

Source: BBC Research & Consulting, 2004.

Exhibit V-23. (continued)
Summary of Special Needs and Available Resources

Population	Housing Need	Community Need	Primary Resource Available
Mental Illness and Substance Abuse	Community mental health centers Beds for substance abuse treatment Supportive services slots Housing for mentally ill in rural areas	Substance abuse treatment Education Psychosocial rehabilitation services Job training Medical service providers	CDBG HOME CHIP Division of Mental Health Section 811 Hoosier Assurance Plan Olmstead Initiative Grant
Migrant Agricultural Workers	Grower-provided housing improvements Affordable housing	Family programs Public transportation Homeownership education	CDBG Rural Opportunities, Inc. Comprando Casa Program USDA Rural Development 514 & 516 Programs

Source: BBC Research & Consulting, 2004.

Data Sources

A number of data sources were relied upon in the preparation of this section, including key person interviews with government and non-profit service providers and advocates, and multiple primary and secondary documents. The following documents were used in the preparation of this section:

- *2003 Continuum of Care Consolidated Application, State of Indiana*, prepared by Indiana Coalition for Housing and Homeless Issues (ICHHI);
- *A Profile of Older Hoosiers*, published by Indiana University;
- *A Rational for Integrated Job Training and Employment for People with Disabilities*, by Dr. Patricia Rogan, December 2003.
- *Actuarial Services: Risk-Adjusted Rates for Adults*, State of Indiana, Division of Mental Health and Addiction, FSSA, May 2002.
- *Asset Ownership of Households*, U.S. Bureau of the Census, 1995;
- *Blueprint to End Homelessness*, an Initiative of the Indianapolis Housing Task Force, 2002.
- Casey Family Programs: National Center for Resource Family Support web page (<http://www.casey.org/cnc>);
- Child Welfare League of America, Child, Youth, and Family Development web page (<http://www.cwla.org>);
- *City of Indianapolis Homeless Survey*, prepared by the Coalition for Homelessness Intervention and Prevention, 2000;
- *Comprehensive Plan for the Design of Services for People with Developmental Disabilities*, prepared by the Indiana SB 317 Task Force, 1998;
- *Current Population Report, Household Economic Studies, Americans With Disabilities 1994-1995*, published by the U.S. Department of Commerce;
- *Current Population Survey*, U.S. Bureau of the Census, March 2000;
- *Developmental Disabilities Services in Indiana: Assessing Progress Through the Year 2000*, prepared by David Braddock, Ph.D. and Richard Hemp, M.A. for the Association of Rehabilitation Facilities of Indiana;
- *Disabilities Affect One-Fifth of All Americans*, U.S. Census Brief, U.S. Bureau of the Census, December 1997;
- Division of Mental Health, Olmstead Data Collection Tool, Olmstead Task Force;
- *Estimations of Prevalence and Mental Health Systems Data*, 1998;

- *Evaluation of Continuums of Care for Homeless People*, prepared by ICF Consulting for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research, May 2002.
- *Evaluation Report of FHA's Home Equity Conversion Mortgage Insurance Demonstration*, prepared for the U.S. Department of Housing and Urban Development, March 31, 2000;
- Family and Social Services Administration (FSSA) 2000 Report on Elderly and Aging;
- *Five Year State Plan for People With Disabilities: Fiscal Years 2001 – 2005*, as prepared by the Indiana Governor's Planning Council for People with Disabilities;
- *Frequently Asked Questions About the Foster Care Independence Act of 1999 and the John H. Chafee Foster Care Independence Program*, prepared by members of the National Foster Care Awareness Project, February 2000;
- *From Values to Practice: State Level Implementation of Supported Employment*, Journal of Vocational Rehabilitation, 2002;
- *HIV/STD Quarterly*, published by the Indiana State Department of Health, December 2003;
- *Homelessness: Programs and the People They Serve*, prepared by the Interagency Council on the Homeless, 1999;
- *Housing Our Elders: A Report Card on the Housing Conditions and Needs of Older Americans*, published by HUD, 1999;
- *Independent Living for Foster Youth: Executive Summary*, by C. Eilerston, February 2002;
- *Indiana's Comprehensive Plan for Community Integration and Support of Persons with Disabilities*, Family and Social Services Administration, 2001;
- *Indiana HIV/AIDS Housing Plan*, prepared by AIDS Housing of Washington for the Indiana Housing Finance Authority, the City of Indianapolis and The Damien Center, February 2003;
- *Indiana Health Centers Serves Migrant Workers*, Indiana State Department of Health Express Newsletter, September 24, 2003.
- *Indiana Medicaid Home and Community-Based Waiver Service: A Guide for Consumers (Third Edition)*, Indiana Governor's Planning Council for People with Disabilities, September 2002 (Revised July 2003).
- Indiana State Department of Health web page (<http://www.in.gov/isdh/>);
- *Indiana Independent Living Survey of Foster Youth*, Social Science Research Center College of Sciences & Humanities, Ball State University, Muncie, Indiana, December 2003.

- *It's My Life: A Framework for Youth Transitioning from Foster Care to a Successful Adulthood*, Casey Family Programs Foundation for the Future, 2001;
- *Kernan Announces \$665,420 in Awards for AIDS Housing Program*, press release by Indiana Housing and Finance Authority, 2001;
- *National Evaluation of the Housing Opportunities for Persons with AIDS Program (HOPWA)*, ICF Consulting for the U.S. Department of Housing and Urban Development, January 2001;
- National Foster Care Coalition web page (<http://216.198.222.116/NFCC/index.html>);
- *National Nursing Home Survey*, National Center for Health Statistics, 1999;
- National Resource Center for Youth Development web page (http://www.nrcys.ou.edu/NRCYD/State_Pages_f/State_in.htm);
- *New Partnerships for Homeownership and Individualized Housing for People with Low-incomes and Disabilities*, from the Back Home in Indiana Alliance;
- *No Refuge From the Fields: Findings from a Survey of Farm worker Housing Conditions in the United States*, Housing Assistance Council, 2001;
- *Older Age Groups Expanding Fastest*, INCONTEXT, Vol. 2, Issue 8, August-September 2001.
- *Opting In: Renewing America's Commitment to Affordable Housing*, published by HUD;
- *Overview of Significant Federal Barriers to Advancing the Long Term Care Delivery System*, prepared by Health Evolutions for the Governor's Commission on Home and Community Based Services, March 24, 2003;
- *Priced Out in 2002*, prepared by Technical Assistance Collaborative, Inc. and Consortium for Citizens with Disabilities Housing Task Force, May 2003;
- *Programs Relating to Comprehensive Mental Health*, Division of Mental Health of the Family Social Services Administration (FSSA);
- *Public Opinion About Youth Transitioning from Foster Care to Adulthood*, prepared for The Jim Casey Youth Opportunities Initiative, May 2003;
- *Residential Services for Persons with Developmental Disabilities, Status and Trends Through 2002*, Research and Training Center on Community Living, Institute on Community Integration/UAP, June 2003;
- Rural Opportunities, Inc., Quarterly Progress Reports, 2001;
- *Spring 2003 AIDS Housing Survey*, AIDS Housing of Washington, 2003;
- *State Hospital Client Readiness Assessment SFY2003*, Division of Mental Health and Addiction;

- *State of Indiana Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2000*, BBC Research and Consulting 2001;
- State of Indiana, FSSA, Division of Mental Health web page (<http://www.in.gov/fssa/servicemental/>);
- *Statewide HIV/AIDS Housing and Organizational Capacity Needs Assessment, State of Indiana Report*, prepared by Indiana Cares Inc. (now AID Serve Indiana);
- *The National Agricultural Worker Survey*, U.S. Department of Labor, 1997-1998;
- *The Older Population in the United States: Population Characteristics*, U.S. Bureau of the Census, March 1999;
- *Three Year State Plan for People with Disabilities: Fiscal Years 1998 – 2000*, as prepared by the Indiana Governor’s Planning Council for People with Disabilities;
- *USDA Awards Funding for Farm Labor Housing Plan in Pulaski County*, USDA Rural Development, December 2003;
- *Youth Exiting Foster Care: Efficacy of Independent Living Services in the State of Idaho*, by Brian L. Christianson, Eastern Washington University, 2002.

Persons Contacted

In addition to the aforementioned data sources, a number of people with specific knowledge of various special needs populations furnished information either electronically or by telephone that were used in preparation of this section. We thank these individuals for their very helpful assistance.

- Paula Barrickman, Indiana Division of Mental Health and Addiction;
- Rosemary Carney, Family and Social Services Administration;
- Shawn Carney, Indiana State Department of Health;
- Lisa Coffman, Indiana Housing Finance Authority;
- Judy Hall, Family and Social Services Administration;
- Deborah McCarty, Indiana University, Indiana Institute on Disability and Community;
- N. Ellen McClimans, Family and Social Services Administration;
- Molly Miller, Ball State University, Independent Living Program, Social Science Research Center;
- Annette Phillips, Rural Opportunities, Inc.;

- Dr. Patricia Rogan, Indiana University, Bloomington, IN, Institute for the Study of Developmental Disabilities;
- Marge Slauter, Family and Social Services Administration;
- Philip Stafford, PhD, Indiana University, Indiana Institute on Disability and Community;
- Patrick Taylor, Indiana Coalition on Housing and Homelessness Issues; and
- Mary Lou Terrell, Knox County Housing Authority.

SECTION VI.

2004 Program Year Strategy and Action Plan

SECTION VI.

Strategies and Actions

Pursuant to Section 91.315 of the Consolidated Plan regulations, this section contains the following:

- A reiteration of the State's philosophy of addressing housing and community development issues;
- A discussion of the general obstacles the State faces in housing and community development;
- How the State intends to address the identified housing and community development needs;
- How the State determined priority needs and fund allocations; and
- The State's FY2004 One Year Action Plan.

This section also partially fulfills the requirements of Section 91.320 of the Consolidated Plan regulations. The bulk of the requirements of Section 91.320 – a discussion of federal and non-federal resources, funding activities and allocation plans, geographic distribution of assistance, and program specific requirements – are found in Appendix G, Agency Allocation Plans. Required State certifications are located in Appendix B.

Approach and Methodology

Planning workshop. The Consolidated Plan Coordinating Committee attended a workshop in March 2004 to evaluate the five year Strategic Plan adopted in FY2000 and develop a One Year Action Plan for FY2004. The agenda for the workshop was to:

- Review the housing and community development needs identified through the FY2004 planning process;
- Review the five year housing and community development goals and resulting Strategic Plan developed in FY2000;
- Keep working on, modify, delete, or develop new Action Items for the FY2004 program year; and
- Lay some of the groundwork for development of the upcoming new Five Year Plan.

At the end of the workshop, the Committee had developed the One Year Action Plan for FY2004.

Planning principles. The Committee has retained the following guiding principles developed in the FY2000 strategic planning process:

- Focus on the findings from citizen participation efforts (public forums, community surveys, public comments);
- Allocate program dollars to their best use, with the recognition that nonprofits and communities vary in their capacities and that some organizations will require more assistance and resources;
- Recognize that the private market is a viable resource to assist the State in achieving its housing and community development goals;
- Emphasize flexibility in funding allocations, and de-emphasizing geographic targeting;
- Maintain local decision making and allow communities to tailor programs to best fit their needs;
- Leverage and recycle resources, wherever possible; and,
- Understand the broader context within which housing and community development actions are taken, particularly in deciding where to make housing and community development investments.

Geographical allocation of funds. In the past, the responsibility for deciding how to allocate funds geographically has been at the agency level. The Committee has maintained this approach, with the understanding that the program administrators are the most knowledgeable about where the greatest needs for the funds are located. Furthermore, the Committee understands that since housing and community development needs are not equally distributed, a broad geographic allocation could result in funds being directed away from their best use.

Specific information on the geographic allocation of funds for each of the four HUD programs is located in the program allocation plans in Appendix G.

Prioritization of funds. The Committee has determined broad guidelines for priority setting. Ultimately, the Committee strives to provide funding to activities that benefit individuals and groups with the greatest needs. The Committee maintains that the greatest needs are best determined at the local level. For statewide priorities, the Committee has adopted the overall priorities as 1) income, with the greatest emphasis on the lowest income groups, and 2) special needs populations.

The results of the FY2000 program year strategic plan and action items audit are detailed in following section, beginning with a summary of the housing and community development needs identified during the FY2004 Consolidated Planning process.

Summary Findings

Sections II-V of the FY2004 Consolidated Plan Update present findings from the community survey, regional public forums, and secondary statistical research. In sum, these data showed the following trends and implications:

- The top housing needs identified in the community forums included emergency shelters, owner occupied housing, down payment assistance/counseling, rental housing rehabilitation, housing needs assessment, and home repair/home modification.
- The top community development needs identified in the forums were for workforce development and job training programs, water and sewer improvements, and infrastructure in support of affordable housing.
- The top community development needs listed by survey respondents included downtown revitalization, economic development, facilities and shelters for special needs populations, and improvements to public infrastructure.
- Respondents to the community survey cited the need for single family housing, emergency shelters, and multifamily apartments, as the greatest housing needs.
- The top barriers to housing choice identified by survey respondents were the cost of housing and lack of public transportation, especially as related to location of employment.
- The top barriers to community development identified by survey respondents were jobs that pay a living wage, lack of job growth, lack of funds available to make community development improvements, and lack of affordable housing.
- According to new data reported by the Census Bureau, in 2002, approximately 240,000 homeowners and 238,000 renters paid more than 30 percent of their incomes in housing and are cost burdened. The State's youngest, elderly, and low-income households are the most likely to be cost-burdened.
- Disability and Familial status were the most common reasons that Indiana citizens are discriminated against when trying to find housing, according to the surveys that have been conducted for the State's Consolidated Plans. In past surveys, race had been the top reason cited.

Exhibit VI-1 provides the estimated 2004 program year funding levels for each of the four HUD programs. These resources will be allocated to address the identified housing and community development strategies and actions. Please see Appendix G for methods of distribution for each program, including matching dollar requirements and sources of such funds.

Exhibit VI-1.
2004 Consolidated Plan Funding, by Program and State Agency

Agency	Allocation
American Dream Downpayment Initiative (ADDI)	\$948,000
Indiana Department of Commerce (CDBG)	\$36,848,000
Indiana Housing Finance Authority (HOME)	\$17,718,000
Indiana Housing Finance Authority (HOPWA)	\$836,000
Indiana Family and Social Services Administration (ESG)	<u>\$1,847,000</u>
Total	\$58,197,000

Source: State of Indiana and HUD, 2004.

In addition to the above formula allocations for 2004, the State will also receive one-time allocation of \$1,134,586 in previously unexpended HOPWA funds.

Five Year Goals

Seven top-level goals were established by the Committee for the FY2000 five year plan. The Committee has retained these top level goals for the FY2004 Action Plan. The goals, strategies, and action items are not ranked in order of importance, since it is the desire of the State to allow each region and locality to determine and address the most pressing needs it faces.

1. Expand and preserve affordable rental housing opportunities.
2. Enhance affordable homeownership opportunities.
3. Promote livable communities and community redevelopment.
4. Enhance employment development activities, particularly those that provide workforce development for low to moderate-income citizens.
5. Strengthen and expand the State's continuum of care for persons who are homeless.
6. Strengthen the safety net of housing and services for special needs groups.
7. Enhance the local capacity for housing and community development.

The following section outlines the Strategies and Action Plan in detail, including any modifications that have been made to better meet community needs.

Strategies and Action Plan

Goal 1. Expand and preserve affordable rental housing opportunities.

As detailed in the Housing and Community Development and Housing Market Analysis sections of the report, one of the greatest needs of communities is affordable, quality, multifamily housing. “Affordable” housing in this context generally refers to housing costs that are 30 percent of less than a household’s gross income.

As reported in the Housing Market Analysis section, 37 percent of the State’s rental households paid more than 30 percent of their household incomes in rent in 2002 and, as such, were cost burdened. The State’s youngest households, elderly households, and households with earnings of less than \$33,000 are most likely to be cost burdened.

The strategies developed to accomplish Goal 1 include:

- a. Continue funding IHFA’s Housing from Shelters to Homeownership program to provide affordable rental housing. This program utilizes CDBG and HOME dollars to fund activities ranging from emergency shelter development, to owner and rental housing rehabilitation and new construction, to homeownership counseling and down payment assistance. Units of local government, townships, public housing authorities, Community Housing Development Organizations (CHDOs), joint ventures and nonprofit entities may all apply for funding. Developments that serve the lowest income citizens are given additional scoring points, although this program’s scoring system considers a number of factors to ensure that dollars are allocated to the greatest needs.
 - **Action Items to be Monitored.** On an annual basis, IHFA will evaluate the current funding allocation of the Housing from Shelters to Homeownership program by comparing the number of units produced or rehabilitated, and/or dollar amounts available for production or rehabilitation, with the housing needs identified in the Consolidated Plan, to the extent that a renter/owner needs breakdown is available. The number and types of applications for the program will also be analyzed, since this measure of demand is also an indicator of need. The results of the evaluation will be used to establish priorities and goals for the upcoming program year.
 - **Accomplishments.** *This program will continue in FY2004. IHFA proposes to allocate \$4 million of HOME and CDBG funds to provide affordable rental housing through the Housing from Shelters to Homeownership program during FY2004.* In addition, IHFA will continue to utilize a competitive allocation system for the program. Preference is given to projects that: 1) Meet the needs of their specific community; 2) Attempt to reach very low-income levels of 30% of area median income; 3) Are ready to proceed with the project upon receipt of the award; and, 4) Revitalize existing neighborhoods.

- b.** Continue using Rental Housing Tax Credits to develop affordable rental housing. Since the program's inception in 1986, IHFA has been active in allocating Rental Housing Tax Credits. IHFA recognizes the value of tax credits in providing the much needed development of affordable rental housing; the program has long been at the core of the agency's multifamily division activities.
 - **Action Items to be Monitored.** IHFA will also evaluate and report annually to the Committee on the ability of the Rental Housing Tax Credit program to serve the State's housing needs. IHFA will actively campaign for federal regulations that increase the amount of Rental Housing Tax Credits that states are allowed to allocate.
 - **Accomplishments.** *This program will continue in FY2004. IHFA proposes to allocate \$2.4 million of HOME funds to provide affordable rental housing through the Rental Housing Tax Credit program during FY2004.*
- c.** Continue to preserve existing Section 8 expiring use properties through IHFA's work as a HUD designated Participating Administrative Entity (PAE) to encourage property owners to remain in the Section 8 program. In addition, IHFA has been approved as a Section 8 Contract Administrator for certain properties.
 - **Action Items to be Monitored.** A designated Consolidated Plan Committee member will report to the Committee on IHFA's accomplishments as a PAE and Section 8 Contract Administrator on an annual basis.
 - **Accomplishments.** *This action item is ongoing. For FY2004, IHFA will remain a PAE and Section 8 contract administrator.*

Goal 2. Enhance affordable homeownership opportunities.

Affordable housing has consistently been identified as a top need in the forums and surveys conducted as part of the five year Consolidated Planning process. Expansion of affordable rental housing programs, which is addressed in the strategies for Goal 1, will serve a portion of this need, especially for the very lowest income households.

Enhancing homeownership opportunities is another part of the solution. The need for affordable single family housing was expressed by both survey respondents and forum attendees, including those representing special needs groups. According to Census 2002 data, nearly 240,000 Indiana homeowners paid more than 30 percent of their household income on housing costs in 2002. The State's lowest income households experience the greatest cost burden: Ninety-two percent (or 39,000) of the State's households earning less than or equal to 30 percent of the AMI (<\$12,391) who pay a mortgage were cost burdened in 2002.

The strategies developed to accomplish Goal 2 include:

- a. Continue to fund IHFA's Housing from Shelters to Homeownership program to provide affordable single family new construction, rehabilitation of existing units for resale, owner-occupied rehabilitation, homeownership counseling and downpayment assistance
 - **Action Items to be Monitored.** On an annual basis, IHFA will evaluate the current funding allocation of the Housing from Shelters to Homeownership program by comparing the number of units produced or rehabilitated, and/or dollar amounts available for production or rehabilitation, with the housing needs identified in the Consolidated Plan, to the extent that a renter/owner needs breakdown is available. The number and types of applications for the program will also be analyzed, since this measure of demand is also an indicator of need. The results of the evaluation will be used to establish priorities and goals for the upcoming program year.
 - **Accomplishments.** *This program will continue in FY2004. IHFA proposes to allocate \$3.9 million of HOME and CDBG funds to provide affordable owner occupied housing through the Housing from Shelters to Homeownership program during FY2004.* In addition, IHFA will continue to utilize a competitive allocation system for the program. Preference is given to projects that: 1) Meet the needs of their specific community; 2) Attempt to reach very low-income levels of 30% of area median income; 3) Are ready to proceed with the project upon receipt of the award; and, 4) Revitalize existing neighborhoods.
- b. Continue IHFA's First Home program, which uses Mortgage Revenue Bonds and Mortgage Credit Certificates to provide interest rate subsidies and down payment assistance to low and very low income households for purchase of their first home.
 - **Action Items to be Monitored.** IHFA will evaluate and report annually to the Committee on the accomplishments of the First Home program in serving the State's lowest income populations who desire homeownership. IHFA will actively campaign for federal regulations that increase the amount of private activity bonds that states are allowed to issue. Also, IHFA will be utilizing HOME and ADDI funding for Homeownership counseling and down payment assistance.
 - **Accomplishments.** *This program is ongoing.* IHFA was successful in its campaign to increase the amount of private activity bonds allowed. Congress passed the increase, from \$50 per capita in 2000 to \$75 beginning in 2002.

- c. Explore the feasibility of establishing a statewide homebuyer counseling program.
 - **Action Items to be Monitored.** A designated Committee member will work with IHFA to evaluate the need for a homebuyer counseling program. If a need for such a program is identified, the Committee will assist IHFA in marketing the program to targeted populations, including dissemination of program materials at the Consolidated Plan regional forums and public hearings
 - **Accomplishments.** During 2001, IHFA hosted two roundtable discussions and conducted a mail survey to ascertain the need for a statewide homebuyer counseling program. In general, housing providers agree that there is a need for homebuyer education. During program years 2002 and 2003, IHFA funded The Homeownership Education & Counseling Initiative (HomeEC), which is being conducted by IACED. The broad purpose of HomeEC is to determine the need for a statewide homeownership education and counseling program and develop a framework for such projects. In 2002 and 2003, regional meetings were held statewide to address the two primary components of the needs assessment: Quality - how to ensure that the program has consistent standards; and Accessibility – how to ensure that the program is accessible to all Indiana citizens, especially those in rural areas. In addition, during 2003, two interim “train the trainer” sessions were held to begin certifying counselors. IACED will present recommendations about such a program to IHFA and the Committee.

The Individual Development Account (IDA) program mentioned in Action Item e. (below) contains a financial management component to assist potential homebuyers in understanding the financial requirements of buying a home.

 - **Action Items to be Monitored.** *The results of the Initiative will be incorporated into development of the State’s next five year plan.*
- d. Consider establishing a marketing campaign that promotes homeownership to the State’s minority populations, specifically targeting African American and Hispanic homebuyers.
 - **Action Items to be Monitored.** IHFA will work to evaluate the feasibility of establishing such a marketing campaign. If the decision is made to move forward with these marketing efforts, the Committee will assist in dissemination of materials and integrate the information into the Consolidated Plan public outreach process.

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Goal 3. Promote livable communities and community redevelopment.

Citizens identified a number of community development concerns as detailed in the Housing and Community Development Needs section of the report. Forum attendees identified workforce and public infrastructure needs – particularly jobs, training, and downtown revitalization – and infrastructure for affordable housing as top needs.

The Department of Commerce has recently taken a new approach to measuring the quality of life of the State's communities by employing a "livable communities" concept. IDOC defines livable communities as those that "actively and successfully serve the needs of their citizens; effectively connect people and places; and preserve, build upon, and invest in their economic, environmental, and human assets. To achieve this, livable communities plan and prepare for the future and form partnerships between the business, civic, government and not-for-profit sectors of the community." Thus, a livable community is one that encompasses, among other things, adequate public infrastructure systems, good daycare and social services, and ample employment opportunities.

Because community development issues are often interconnected – e.g., inadequate employment opportunities can affect the commute citizens must endure to find a job – the Committee chose to address the community development concerns through the promotion and creation of livable communities. The strategies developed to accomplish Goal 3 include:

- a.** Continue funding IDOC's Community Focus Fund (CFF), which uses CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of daycare and senior centers.
 - **Action Items to be Monitored.** IDOC will continue soliciting feedback from its grant recipients about the CFF program, including components of the program that could be modified to better meet the needs of Indiana's communities. This feedback will be compared to the community needs identified in the Consolidated Plan and, together, these measures will be used to evaluate the program annually, to ensure that program dollars are being allocated to their most productive use. Components of the CFF, including the scoring process, will be modified as needed to reflect the needs of communities.
 - **Accomplishments.** *This program is ongoing for 2004. During program year 2002, communities in the State received \$25 million in funding through the CFF. A variety of projects were funded, including: community and family service centers; facilities serving special needs populations; a head start center; neighborhood revitalization efforts; fire stations and fire trucks; a library; senior centers; and stormwater, water and sewer infrastructure redevelopment projects.*

- b. Continue funding IHFA's Housing from Shelters to Homeownership program, which provides funding for the entire continuum of housing needs of communities.
- **Action Items to be Monitored.** On an annual basis, IHFA will evaluate the current funding allocation of the Housing from Shelters to Homeownership program by comparing the number of units produced or rehabilitated, and/or dollar amounts available for production or rehabilitation, with the housing needs identified in the Consolidated Plan, to the extent that a renter/owner needs breakdown is available. The number and types of applications for the program will also be analyzed, since this measure of demand is also an indicator of need. The results of the evaluation will be used to establish priorities and goals for the upcoming program year.
 - **Accomplishments.** *This program will continue in FY2004. IHFA proposes to allocate approximately \$10.9 million of HOME and CDBG funds to the Housing from Shelters to Homeownership program during FY2004. This program gives preferences to projects that meet the needs of their specific community and revitalize existing neighborhoods. Also, IHFA is in the process of developing a program entitled "Improving Neighborhoods Through Revitalization". This program provides incentives for strategic planning and the redevelopment of vacant blighted neighborhoods. This will be a pilot program, and IHFA intends to award approximately 6-12 geographically diverse Indiana cities with funding. IHFA will evaluate the program over the next three years to determine its success.*
- c. Continue the use of the planning and community development components that are part of the Planning Grants and Foundations programs funded by CDBG and HOME dollars. These programs provide planning grants to units of local governments and CHDOs to conduct market feasibility studies and needs assessments, as well as (for CHDOs only) predevelopment loan funding.
- **Action Items to be Monitored.** The Committee will evaluate the need for planning grants and related studies for local governments and CHDOs and consider allocating more CDBG and HOME dollars to such programs if significant gaps in this type funding are identified.
 - **Accomplishments.** *These programs are ongoing. During program year 2004, IHFA will dedicate almost \$1 million of its CDBG and HOME allocation to the Foundations program. During 2004, \$1.6 million of CDBG funds are proposed to fund the Community Focus Fund planning grant program.*

- d. Continue including rehabilitation of existing structures as a scoring preference for applications for the Rental Housing Tax Credit and Housing from Shelters to Homeownership programs.
 - **Accomplishments.** The RHTC program provides incentives for rehabilitation through its competitive scoring system. The Housing from Shelters to Homeownership program has scoring criteria to encourage rehabilitation of existing structures. *These scoring preferences are continuing.* Additionally, the 2004 Qualified Allocation Plan (QAP) has set aside 10 percent of available annual RHTCs for developments that involve rehabilitation of currently occupied low income housing, developments otherwise in danger of being removed by a federal agency, and/or the conversion of existing market rate housing to affordable housing.

- e. Explore the feasibility of a statewide Fair Housing campaign.
 - **Action Items to be Monitored.** The Committee will work with Indiana Civil Rights Commission (ICRC) to examine the need for a Statewide Fair Housing campaign and consider accepting proposals for funding fair housing activities.
 - **Accomplishments.** *During program year 2001, the Fair Housing Task Force implemented a Statewide fair housing campaign. Activities in 2001 mostly consisted of planning the campaign and hiring an advertising agency to design campaign billboards, transit displays, posters, and radio and television public service announcements. The billboards will be located on main arteries throughout the state leading into nonentitlement cities. The campaign will be ongoing in 2004, and be revised as needed to maximize its effectiveness.* During 2004, IFHA made a HOME Subrecipient Award of \$116,000 to the Indiana Civil Rights Commission with the objective to affirmatively further fair housing. The current award will build on and expand the following activities: 1) Conduct training that will be based upon the needs of constituents and by coordinating efforts with other organizations in order not to duplicate the effort; 2) Develop a training video; 3) Promote awareness of fair housing issues through media such as newspapers, radio and/or TV; 4) Reprint educational materials in English as well as Spanish; 5) Fund postage costs associated with materials distribution; 6) Provide website development and maintenance; 7) Participate as an exhibitor at conferences and other events to educate the public about issues of housing discrimination.

- f. Continue to promote and encourage energy efficiency through the Rental Housing Tax Credit and Housing from Shelters to Homeownership programs.
 - **Accomplishments.** *The Rental Housing Tax Credit program continues to give scoring preferences for energy efficiency. The Housing from Shelters to Homeownership program includes points for the design of structure, quality of amenities, and energy efficiency. Applicants receive points for committing to specific design features, which include a variety of Energy Star rated appliances and building products.*

- g.** Continue working to reduce the environmental hazards in housing, including lead based paint risks.

- **Action Items to be Monitored.** The Committee will support a team effort between IACED and IHFA to provide lead inspectors and assessors certification courses and training to grantees about the hazards of lead based paint and safe work practices.
- **Accomplishments.** *In 2002, the training program was completed. IACED and IHFA have determined that there is not a need for the training every year; training will likely be held every two to three years.*
- *During 2004, IHFA added another eligible activity in the Housing From Shelters to Homeownership application package, which is Voluntary Acquisition/Demolition of developments where: 1) Structure is located in the floodplain that sustained substantial damage (50% or more); 2) Structures located within the flood way; or 3) Structures located within the flood fringe (below protection elevation).*
- *IHFA supports four to six Indiana Lead-Safe and Healthy Homes newsletters distributed by email or fax to more than 600 people each year at no cost.*
- *IHFA participates in and host meetings for the Lead-Safe Indiana Task Force which convenes stakeholders quarterly to discuss issue.*
- *IDEM supported four brochures that defined the legal responsibilities regarding lead-based paint for contractors, property managers, risk assessors, and building permit holders.*
- *The Indiana General Assembly adopted prohibitions on dangerous work practices involving lead and its requirement to clean-up debris.*
- *IDEM rewrote its lead-based paint activities rule to improve compliance and access to resources especially in areas of Indiana adjacent to cities across the border that have licensed people.*

Goal 4. Enhance employment development activities, particularly those that provide workforce development for low- to moderate-income citizens. Survey respondents and forum participants continue to express a need for job training and workforce development throughout the State. As discussed in the Socioeconomic section of the Consolidated Plan, 2000 Census data suggest that Indiana lost some of its most educated citizens during the past decade.

Along with the strategies to promote livable communities outlined in Goal 3, the State will:

- a.** Continue the use of IDOC's Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons.

- **Action Items to be Monitored.** IDOC will continue soliciting feedback from its grant recipients about the CEDF program, and continue to collect data on the number of jobs created from and beneficiaries of the CEDF program. This feedback will be compared to the community (especially employment) needs identified in the Consolidated Plan and, together, these measures will be used to evaluate the program annually, to ensure that program dollars are being allocated to their most productive use. Components of the CEDF, including the scoring process, will be modified as needed to reflect the needs of communities.
- **Accomplishments.** *The program funding is continuing.*

b. Explore using the CEDF to fund employer based skills training that is transferable.

- **Action Items to be Monitored.** IDOC has evaluated the feasibility of implementing such a program and set aside \$2 million of CDBG funds for new and basic skill training.
- **Accomplishments.** *Since implementation, the program has been very successful. This program will continue during 2004.* The training is targeted at those needing basic skills (including ESL) and it must be transferable to other occupations. Business and units of local government may receive program funds.

Goal 5. Strengthen and expand the State's continuum of care for persons who are homeless.

As detailed in the Special Needs section of the report, between 80,000 and 100,000 citizens in the State are estimated to be homeless at any one time. Participants in the public forums ranked emergency shelters, transitional housing, and youth shelters as top needs in their communities.

To further the continuum of care concept throughout the State, the Interagency Council for the Homeless has been recreated. The Council will also oversee implementation of the Homeless Management Information System (HMIS), required by the U.S. Congress to be part of continuums of care by 2003.

The strategies developed to accomplish Goal 5 include:

- a.** Continue to submit an annual SuperNOFA application to fund continuum of care activities.
 - **Action Items to be Monitored.** The Committee will be responsible for ensuring that the State Continuum of Care application is submitted to HUD annually. This will be accomplished through the creation of the Continuum of Care Committee (CCC) to provide oversight and development of the application. In addition, the CCC will evaluate the ongoing effectiveness of the programs funded by the grant.
 - **Accomplishments.** *This action item is ongoing. An application will be submitted for FY2004.*

- b. Create regional continuum of care consortia to coordinate continuum of care activities and provide guidance on specific needs.
 - **Action Items to be Monitored.** *The Interagency Council for the Homeless will have as a priority organizing regional continuums of care.*
 - **Accomplishments.** *The Homeless Task Force that is part of the Interagency Council has the goal of improving the effectiveness of the regional Continuums of Care. To this end, during the next year the Task Force will: 1) Institute a process by which the regions report on their activities; 2) Develop a working model of how a regional Continuum should function; 3) Identify a contact person for each region; and, 4) Provide two training sessions for the regions.*
 - *IHFA gives scoring preferences to organizations that participate in the State HIV/AIDS Continuum of Care on its Housing from Shelters to Homeownership packages.*
- c. Continue statewide nonprofit training provided by the Indiana Coalition for Housing and Homeless Issues (ICHHI) for SuperNOFA grant applications.
 - **Accomplishments.** *This activity is ongoing and will continue for the FY2004 SuperNOFA. ICHHI will hold a training workshop a few weeks after release of the SuperNOFA, in addition to visiting organizations throughout the State to conduct more tailored training.*
- d. Expand the funding available for shelter and transitional housing development in IHFA's Housing from Shelters to Homeownership program.
 - **Action Items to be Monitored.** *IHFA increased its goal during the calendar year for awarding funds for shelter, transitional housing and permanent support housing through the Housing from Shelters to Homeownership program from \$3 million to \$3.5 million annually.*
- e. Continue working to improve the Family and Social Service Administration's (FSSA's) Emergency Shelter Grant (ESG) applications and scoring process to emphasize continuum of care services.
 - **Action Items to be Monitored.** *FSSA worked with ICHHI to improve its ESG application to focus more on continuum of care components of shelter development and operation.*
 - **Accomplishments.** *FSSA has revised its instrument in scoring ESG Applications for Funding. There is a specific question in the instrument that asks if the program outlines the coordination of comprehensive services as well as continuum of care at the facility.*

- b. Continue participating in and soliciting feedback from HIV/AIDS planning bodies.
 - **Accomplishments.** IHFA is currently very active in a number of organizations, including the Department of Health's Consumer Advisory Board. This involvement will continue.
- c. Enhance technical assistance and planning activities of organizations serving special needs groups.
 - **Accomplishments.** Technical assistance and resource identification remain eligible activities under the HOPWA program. HOPWA project sponsors are able to take advantage of IHFA sponsored training activities (e.g., provided by IACED). In addition, IHFA staff are available upon request to provide technical assistance on housing development and accessing grant funds.
 - *IHFA gives scoring preferences to emergency and youth shelters that participate in the State HIV/AIDS Continuum of Care on its HOPWA application.*
- d. Continue IDOC's CFF funding for the development of health care facilities, public social service organizations that work with special needs populations, and shelter workshop facilities, in addition to modifications to make facilities accessible to persons with disabilities.
 - **Action Items to be Monitored.** IDOC will continue soliciting feedback from its grant recipients about the CFF program, particularly grantees that have used the program to fund facilities for special needs groups. This feedback will be compared to the community needs identified in the Consolidated Plan and, together, these measures will be used to evaluate the program annually, to ensure that program dollars are being allocated to their most productive use. Components of the CFF, including the scoring process, will be modified as needed to reflect the needs of special needs groups in communities.
 - **Accomplishments.** *The use of CFF funds for facilities targeting special needs group is continuing. CFF funds may also be used to make modifications to bring buildings into ADA compliance. IDOC has also implemented community workshops to educate communities about how CFF funding can be used and to offer technical assistance. In FY2002, IDOC proposed to use \$500,000 of CFF dollars to fund special needs facilities, if there is demand for such use.*

f. Implement a Homeless Management Information System between 2002 and 2004.

- **Action Items to be Monitored.** *The Interagency Council for the Homeless will make this a priority during FY2002 and 2003. The Council has secured a \$250,000 grant from HUD for the implementation process. In addition, in 2004, ESG applications will require use of the HMIS. Housing from Shelters to Homeownership, QAP and HOPWA applicants must agree to use HMIS for their homeless clients.*
- **Accomplishments.** *An HMIS Task Force was developed and has overseen the process of HMIS. Foothold Technology was picked as the software company to implement the service. A contract was signed in February 2004. The ESG Application for Funding was sent out in December 2003 and there was a statement in the application that the facilities who apply for ESG will be required to use the HMIS system. Since the Task Force has met all of its objectives, it decided to disband. Future implementation efforts will be carried out by the Indiana Coalition on Housing and Homeless Issues.*

Goal 6. Strengthen the safety net of housing and services for special needs groups.

Special needs groups, including the homeless, need a combination of housing and community services to ensure quality of life. Section V of the report discusses the needs of special needs populations, and estimates the gaps in both housing and community services by population. The State recognizes that the needs of this group range from an intensive, high level of services to very minor assistance, and that State programs must be flexible to accommodate all levels of need.

In addition to many of the strategies listed for Goal 5, the strategies developed to accomplish Goal 6 include:

- a.** Enhance resources such as FSSA's Shelter Plus Care grants that provide rental assistance for persons who are homeless and require enhanced supportive services (e.g., persons with mental illness or substance abuse).
 - **Action Items to be Monitored.** The Shelter Plus Care program will provide tenant based rental assistance, and will be administered through the Community Action Agency network in the State. The Committee will work to increase the amount of available resources for better assisting the State's special needs populations that are most difficult to serve.
 - **Accomplishments.** *The Shelter Plus Care program awards have been granted. Community Action of Northeast Indiana will receive \$900,000 over 5 years, which will produce approximately 50 vouchers for housing and utility payments. Populations to be served include persons who are homeless and disabled and may have other special needs. The State recently received another Shelter Plus Care grant of \$2.2 million. On April 28, 2003, FSSA held a statewide Shelter Plus Care training about the program and the additional funds.*

- e. Continue to use HOPWA funding for tenant-based housing assistance, emergency assistance, and direct client support.
 - **Action Items to be Monitored.** Using feedback the care regions, IHFA will evaluate the allocation of funds between these three program areas on an annual basis. IHFA will adjust its program allocations to reflect the current needs of its care regions. Refer to Appendix G for more detail on the HOPWA allocation process.
 - **Accomplishments.** HOPWA has been used to provide tenant based rental assistance, short-term emergency assistance and supportive services this year. Indiana State Department of Health is the administering agency for Ryan White funds, which were used for medical services only in 2001.
- f. Continue using IHFA's Housing from Shelters to Homeownership program for owner-occupied grant rehabilitation that can be used for home improvements that accommodate people with physical and developmental disabilities and the elderly.
 - **Action Items to be Monitored.** IHFA will evaluate and report annually to the Committee on the amount of funding and requests for funding from the Housing from Shelters to Homeownership program for grants for owner-occupied housing improvements, particularly those that assist special needs groups. IHFA will consider increasing the allocated funding in this area to the extent that the need for such dollars exceeds the current funding level.
 - **Accomplishments.** *This action item will continue in FY2004. IHFA currently gives preferences for developments that include units targeted to serve persons who are developmentally or physically disabled in its Housing from Shelters to Homeownership program application. See the allocation plan in Appendix G for more details. Also, using a portion of our HOME funds, IHFA is looking to develop a HOME owner occupied rehabilitation program that would be separate from the Housing from Shelters to Homeownership application package.*
- g. Explore the HomeChoice program sponsored by Fannie Mae that allows more flexible underwriting guidelines for homeownership.
 - **Action Items to be Monitored.** IHFA submitted an application to Fannie Mae during 2000 for participation in the HomeChoice program. If the program is deemed successful, the Committee will assist IHFA in broadening the program throughout the State.

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- **Accomplishments.** *During the FY2002 Consolidated Planning process, the Committee added two members who represent the communities of persons who are disabled. During program year 2004, the Committee will continue to seek input from these individuals, as well as other organizations through the community survey and regional forums.*

- j. New Action Item:** *Research the need for tenant based rental assistance (TBRA) versus the development of affordable rental housing in nonentitlement areas. Understand why Section 8 vouchers are going unused in certain areas. Also, research what other states are using TBRA, how much is dedicated to TBRA, the basis for TBRA (rental housing needs), etc.*
 - **Accomplishments.** During the 2004-05 Consolidated Planning process, the State conducted a survey of Public Housing Authorities in nonentitlement areas to understand the need for TBRA and development of affordable housing. The results of the survey are included in the Housing Market Section of the 2004 Update. The State also collected information from other Housing Finance Authorities that have been using TBRA. This research will continue.

- k. New Action Item:** *Explore the option and need for increasing the amount of downpayment assistance for persons with disabilities who are constrained by the amount of assets they can accumulate by their income support programs.*
 - **Accomplishments.** This Action Item will be addressed during the next Five Year Consolidated Planning period.

- l. New Action Item:** *Explore giving preferences to job training programs that work with persons with disabilities.*
 - **Accomplishments.** The Committee will explore the option of providing grantees of job creation and training programs with information about how to provide employment opportunities for persons with disabilities. In addition, IDOC requires that grantees receiving CDBG funds for job training programs train workers “for life.”

- m. New Action Item:** *Include youth (particularly those discharged from the foster care system) as a special needs population for Consolidated Planning, research, understand and address their housing and community development needs.*
 - **Accomplishments.** The needs of this population were researched and the findings incorporated into the Special Needs Section of the Consolidated Plan Update in 2004. This research will continue.

n. New Action Item: *Ensure that the State Allocation Plans are consistent with the American with Disabilities Act (ADA) and Fair Housing Law.*

- **Accomplishments.** This action item is ongoing. New construction funded with HOME dollars must meet the requirements of Section 504. All buildings constructed using CDBG funds must comply with the ADA.

o. New Action Item: *The committee will monitor efforts to establish a statewide housing trust fund.*

Goal 7. Enhance the local capacity for housing and community development.

The nonprofit community and local governments play a critical role as vehicles for the delivery of housing and community services, often with very limited funds. To continue to be effective in this role, the State recognizes that these entities require assistance with capacity building.

The strategies developed to accomplish Goal 7 include:

a. Continue using CDBG funding for technical assistance, including accreditation.

- **Action Items to be Monitored.** IDOC will continue to solicit and evaluate feedback from its grant recipients about training needs, including a need for technical assistance with environmental issues. If a need is identified, an increase in the funding dedicated for a particular type of technical assistance will be considered.
- **Accomplishments.** *During 2004, the grant administration assistance funded by IDOC will continue.*

b. Continue providing funding for training and technical assistance in the pre-and post-application process for IHFA's programs. Also continue providing CHDO training and capacity building activities through the CHDO Works program.

- **Action Items to be Monitored.** IHFA will continually evaluate the need for both training and technical assistance. If a need is supported, IHFA will continue to fund the programs to the extent allowed by the requirements of the funding source.
- **Accomplishments.** *During program year 2004, training will continue.* IHFA supports training and technical assistance in many different ways. IHFA Community Development staff are encouraged to work with applicants and recipients to make application and award implementation as straightforward as possible. Both the Development and Compliance staff conduct group workshops to cover general information, and staff are also available for one-on-one technical assistance sessions. Additionally, during 2000, IHFA entered into a contract with IACED to conduct a wide variety of training to expand the capacity of housing organizations throughout Indiana.

- *During program year 2004, IHFA will continue to set-aside the maximum amount allowed under the HOME program for CHDO operating costs. These operating funds are available to CHDOs through the CHDO Works program as well as to cover operating funds associated with construction-related projects.*
- c. Continue providing HOPWA training and technical assistance sponsored by IHFA.
 - **Action Items to be Monitored.** IHFA is currently providing site training upon request. This will continue in program year 2004.
- d. Continue the statewide forum on grant applications sponsored by FSSA.
 - **Accomplishments.** *This training is held once a year when funding applications are released. It will continue in program year 2004.*
- e. Continue the technical assistance provided by the Indiana Technical Assistance Consortium.
 - **Action Items to be Monitored.** Currently, IACED and ICHHI form the Indiana Technical Assistance Consortium, which provides training, direct technical assistance, and capacity building funding to CHDOs. The Consortium will provide the Committee with feedback from the training sessions, in an effort to better evaluate the continued training needs of CHDOs.
 - **Accomplishments.** *Training and technical assistance are ongoing. IHFA is currently funding a variety of training and capacity building efforts including organization development and capacity building. These training sessions are comprehensive one-on-one, working sessions and can take between 12 to 18 months to complete.*
- f. Continue to include as part of the Consolidated Plan regional forums presentations by the grantee agencies on their programs, application process, etc.
- g. Explore providing more direct training for ESG grantees.
 - **Action Items to be Monitored.** The ESG Committee representative will evaluate if grantees require additional training and technical assistance, and, if so, establish a training program based on those provided for the other HUD programs.
 - **Accomplishments.** *FSSA is currently in the process of planning upcoming training for ESG grantees; this will continue in 2004. The ESG grantees received an application for funding training in January 2002 and received cultural diversity training in September 2002. In December 2003, the ESG grantees received training on the application process, the expectations and the process for applying for ESG funding.*

h. Explore the creation of a core operating fund for not-for-profits.

- **Action Items to be Monitored.** A team of Committee members will explore the feasibility of establishing a core operating fund (separate from those dollars currently provided by IHFA) for not-for-profit entities in the State that provide housing and community development services to the State's low income and special needs populations.
- **Accomplishments.** *Because of budget concerns, this action item has been deferred. IACED is researching alternative funding sources.*

Strategies and Resources Matrix

Exhibit VI-2, below, shows how each of the five year Strategic Plan will be addressed through the four HUD grants.

Exhibit VI-2. Strategy and Resources Matrix

2004 Program Year Goals	Consolidated Plan Programs			
	CDBG	ESG	HOME	HOPWA
1. Expand and preserve affordable rental housing opportunities	v		v	v
2. Enhance affordable homeownership opportunities	v		v	
3. Promote livable communities and community redevelopment	v		v	
4. Enhance employment development activities, particularly workforce development	v			
5. Strengthen and expand the state's continuum of care	v	v	v	v
6. Strengthen the safety net of housing and services for special needs groups	v	v	v	v
7. Enhance the local capacity for housing and community development	v	v	v	v

Source: BBC Research & Consulting from the Indiana Consolidated Plan Coordinating Committee.

One Year Action Plan

The Consolidated Plan Coordinating Committee's detailed Action Plan is integrated into the strategy and action items portion of this section (see the "Action Items" following each strategy). The following exhibit quantifies the overall Action Plan for 2004 in terms of dollar amounts and measurable benchmarks.

The Consolidated Plan identifies the areas of greatest need for the State (and nonentitlement areas) in general, and this information is used to guide the funding priorities for each program year. However, the Plan is unable to quantify specific needs on the local level. For local needs, the Committee relies on the information presented in the funding applications.

The following projected dollar allocations and benchmarks, shown in Exhibit VI-3 below and on the following page, are based on historical needs and funding allocations. These amounts are *not* a guarantee of funding allocations for the 2004 program year. The State's funding process is application driven; thus, program year funding ultimately depends on the types of needs identified by potential grantees in their applications. Therefore, the exhibit shows what the funding allocation is expected to be *if the applications for funding received during the current program year closely resemble those received in past years.*

Exhibit VI-3.
Monitoring Plan
Target Allocations and Benchmarks, Program Year 2004

Program/Funding Source		2004 Proposed Allocations	
		Dollars	Percent of Total Funding
Community Focus Fund (CDBG)			
Affordable Housing Infrastructure		\$289,500	1%
Community Centers / Family Service Centers		\$965,000	3%
Fire Stations / Equipment		\$1,930,000	5%
Library / Lifelong and Early Learning Centers		\$1,254,500	3%
Neighborhood Revitalization		\$675,500	2%
Senior Centers		\$3,088,000	8%
Special Needs Facilities		\$965,000	3%
Water and Sewer Infrastructure		<u>\$14,475,002</u>	<u>39%</u>
	Total	\$23,642,503	64%
Community Economic Development Fund (CDBG)		\$4,000,000	11%
Administration (CDBG)		\$836,958	2%
Housing Program (CDBG) ⁽¹⁾		\$5,000,000	14%
Quick Response Fund (CDBG)		\$0	0%
Technical Assistance (CDBG)		\$368,479	1%
Brownfield Initiative (CDBG)		\$1,400,000	4%
Planning Fund (CDBG)		<u>\$1,600,000</u>	<u>4%</u>
Total (CDBG) Allocation		\$36,847,940	100%
Emergency Shelter Grants (ESG)		\$1,847,372	100%

Note: ⁽¹⁾ Housing Program funds are detailed in the Housing from Shelters to Homeownership column in the following exhibit.

Source: Agency Allocation Plans, 2003 and 2004.

Exhibit VI-3. (continued)
Monitoring Plan
Target Allocations and Benchmarks, Program Year 2004

Program/Funding Source		2004 Proposed Allocations	
		Dollars	Percent of Total Funding
Housing from Shelters to Homeownership (HOME/CDBG)			
Emergency Shelters		\$500,000	2%
Youth Shelters		\$300,000	1%
Transitional Housing		\$900,000	4%
Migrant Farmworker Housing		\$300,000	1%
Permanent Supportive Housing		\$800,000	4%
Rental Units		\$4,000,000	18%
Homebuyer Units		\$1,700,000	8%
Owner Occupied Units		\$2,200,000	10%
Voluntary Acquisition/Demolition		\$200,000	1%
Total		\$10,900,000	50%
CHDO Works (HOME)			
First Home Downpayment Assistance Programs		\$1,500,000	7%
INTR City Program		\$500,000	2%
Homeownership Counseling		\$1,000,000	5%
HOME Owner-Occupied Rehabilitation Program		\$2,221,488	10%
HOME/RHTC		\$2,400,000	11%
Administration		\$1,676,917	8%
Foundations (HOME/CDBG)			
CHDO Predevelopment Loans		\$300,000	1%
CHDO Seed Money Loans		\$100,000	0%
Housing Needs Assessments		\$400,000	2%
Site-Specific Feasibility Studies		\$100,000	0%
		\$900,000	4%
Total		\$21,769,170	100%
American Dream Downpayment Assistance (ADDI)			
First Home Downpayment Assistance Programs	\$	948,380	100%
Housing for People with AIDS (HOPWA)			
Rental Assistance	\$405,000	48%	Estimated Households/Units 170 households/units
Short-term Rent, Mortgage and Utility Assistance	\$179,000	21%	465 households/units
Supportive Services	\$130,000	16%	295 households
Housing Information	\$30,700	4%	63 households
Project Sponsor Administration	\$58,520	7%	N/A
Resource Identification	\$700	0%	N/A
Operating Costs	\$7,000	1%	5 units
Technical Assistance	\$0	0%	N/A
Administration	\$25,080	3%	N/A
Total	\$836,000	100%	992 households/639 units
HOPWA Supplemental Allocation			
Acquisition, Rehabilitation, Conversion, New Construction	\$86,293	8%	Estimated Households/Units 2 units
Rental Assistance	\$127,257	11%	53 households/units
Short-term Rent, Mortgage and Utility Assistance	\$127,257	11%	330 households/units
Supportive Services	\$289,945	26%	658 households
Housing Information	\$229,540	20%	471 households
Project Sponsor Administration	\$82,030	7%	N/A
Resource Identification	\$217,458	19%	N/A
Operating Costs	\$12,081	1%	8 units
Technical Assistance	\$0	0%	N/A
Administration	\$36,243	3%	N/A
Total	\$1,121,811	100%	1512 households/393 HOPWA-assisted units

Note: Refer to Appendix G for the proposed FY2003 HOPWA Allocation.

Source: Agency Allocation Plans, 2003 and 2004.

Exhibit VI-4 below, which is HUD's Table 2A, shows the State's overall priority needs by population type. These data are compiled by HUD and based on 1990 CHAS data, updated to 2002. It should be noted that these data represent needs for the entire State and include entitlement communities. Exhibits VI-5 and VI-6, which follow Exhibit VI-4, show the prioritization of housing and community development activities for FY2004.

Exhibit VI-4.
HUD Table 2A, Housing Problems Summary Table FY2004

Households	Households with Housing Problem		
	Percentage	CDBG	HOME
Renter			
Elderly and 1 & 2 member households	0-30%	10,637	11,341
	31-50%	8,002	8,534
	51-80%	2,824	3,208
Small Related (2 to 4)	0-30%	13,747	14,872
	31-50%	11,097	11,841
	51-80%	4,702	4,879
Large Related (5 or more)	0-30%	2,313	2,599
	31-50%	2,610	2,834
	51-80%	2,496	2,739
All Other	0-30%	12,667	13,317
	31-50%	9,263	9,812
	51-80%	5,002	5,135
Owner			
Elderly and 1 & 2 member households	0-30%	18,861	19,172
	31-50%	13,675	13,951
	51-80%	10,437	10,532
Small Related (2 to 4)	0-30%	10,374	10,441
	31-50%	12,977	13,055
	51-80%	23,997	24,262
Large Related (5 or more)	0-30%	2,845	2,877
	31-50%	4,539	4,651
	51-80%	8,409	8,444
All Other	0-30%	7,732	7,891
	31-50%	5,921	6,003
	51-80%	10,103	10,287
Total Households		277,118	282,610

Source: BBC Research & Consulting and HUD CHAS Data Book (www.socds.huduser.org/scripts/odpic.exe/chas/index.htm).

Exhibits VI-5 and VI-6 show the State's community development and housing priorities for FY2004.

**Exhibit VI-5.
Community
Development Needs,
Priorities for FY2004**

Source:
Indiana Department of Commerce.

Priority Community Development Needs	Need Level
Public Facility Needs	
Neighborhood Facilities	Medium
Parks and/or Recreation Facilities	Medium
Health Facilities	Medium
Parking Facilities	Low
Solid Waste Disposal Improvements	Medium
Asbestos Removal	Medium
Non-Residential Historic Preservation	Low
Other	Medium
Infrastructure	
Water/Sewer Improvements	High
Street Improvements	Medium
Sidewalks	High
Sewer Improvements	High
Flood Drain Improvements	High
Other Infrastructure Needs	Medium
Public Service Needs	
Handicapped Services	High
Transportation Services	Medium
Substance Abuse Services	Low
Employment Training	High
Health Services	Medium
Other Public Service Needs	Medium
Anti-Crime Programs	
Crime Awareness	Low
Other Anti-Crime Programs	Low
Youth Programs	
Youth Centers	Medium
Child Care Centers	Medium
Youth Services	Low
Child Care Services	Low
Other Youth Programs	Medium
Senior Programs	
Senior Centers	High
Senior Services	Medium
Other Senior Programs	Medium
Economic Development	
Rehab of Publicly or Privately-Owned	
Commercial/Industrial	Medium
CI Infrastructure Development	High
Other Commercial/Industrial Improvements	Medium
Micro-Enterprise Assistance	Low
ED Technical Assistance	High
Other Economic Development	Medium
Planning	
Planning	High

Institutional Structure

Many firms, individuals, agencies and other organizations are involved in the provision of housing and community development in the State. Some of the key organizations within the public, private and not-for-profit sector are discussed below.

Public sector. Federal, state and local governments are all active in housing policy. At the federal level, two primary agencies exist in Indiana to provide housing: the U.S. Department of Housing and Urban Development (HUD) and Rural Economic Community Development (RECD). HUD provides funds statewide for a variety of housing programs. RECD operates mostly in non-metropolitan areas and provides a variety of direct and guaranteed loan and grant programs for housing and community development purposes.

In addition to these entities, other federal agencies with human service components also help assist with housing, although housing delivery may not be their primary purpose. For example, both the Department of Health and Human Services and the Department of Energy provide funds for the weatherization of homes. Components of the McKinney program for homeless assistance are administered by agencies other than HUD.

At the State level, the Indiana Housing Finance Authority (IHFA) is the lead agency for housing in the State. It coordinates the Mortgage Revenue Bond (MRB) and the Mortgage Credit Certificates (MCC) first time homebuyer programs through its First Home program, administers the State's allocation of Rental Housing Tax Credits and is responsible for the non-entitlement CDBG dollars dedicated to housing, the Indiana Low Income Housing Trust Fund, and non participating jurisdiction HOME monies. IHFA is also the grant administrator for HOPWA. Finally, IHFA is currently a HUD designated Participating Administrative Entity for expiring use contracts and an approved contract administrator of certain project-based Section 8 contracts.

The Indiana Family and Social Services Administration administers the Emergency Shelter Grant programs and coordinates the State's tenant-based Section 8 program through a contract with community action agencies. It also administers the Medicaid CHOICE program, the child care voucher program, and other social service initiatives, and is the lead agency overseeing State institutions and other licensed residential facilities. FSSA is the focal point for policies that integrate housing with the provision of social services.

The Indiana Department of Commerce is the main agency involved in community and economic development and related programs. It administers the State's CDBG program, a portion of which has been designated for affordable housing purposes since 1989. IDOC also administers the Neighborhood Assistance program and the Individual Development Account program, which provides first time homebuyer downpayment assistance.

The Indiana Department of Health coordinates many of the State's programs relating to persons living with HIV/AIDS and also administers the State's blood screening program for lead levels in children.

Other State agencies that are involved in housing and community development issues include the Indiana Civil Rights Commission through Fair Housing enforcement, the Indiana Division of Historic Preservation and Archaeology, the Indiana Department of Environmental Management, the Indiana Department of Workforce Development, the Indiana Department of Transportation, and the Indiana Department of Corrections.

Communities throughout Indiana are involved in housing to greater or lesser degrees. Entitlement cities and participating jurisdictions are generally among the most active as they have direct resources and oversight of for housing and community development.

Private sector. A number of private sector organizations are involved in housing policy. On an association level, Indiana Realtors Association, Indiana Homebuilders Association, Indiana Mortgage Bankers Association and other organizations provide input into housing policy. Private lending institutions are primarily involved in providing mortgage lending and other real estate financing to the housing industry. Several banks are also active participants in IHFA's First Home program.

Fannie Mae funds programs such as HomeChoice, which provides flexible underwriting criteria on conventional mortgages to persons with disabilities. The Federal Home Loan Bank (FHLB) and its member banks in Indiana provide mortgage lending as well as participate in FHLB's Affordable Housing Program.

The private sector is largely able to satisfy the demands for market rate housing throughout the State.

Not-for-profit sector. Many not-for-profit organizations or quasi-governmental agencies are putting together affordable housing developments and gaining valuable experience in addressing housing needs on a local level. The State now has 60 organizations certified as Community Housing Development Organization (CHDOs). Community action agencies administer the Section 8 program under contract to FSSA. There are currently 24 community action agencies in the State; 22 of the agencies administer Section 8. Most of the agencies also administer weatherization and energy assistance programs.

The State has an active network of community development corporations, many of which have become increasingly focused on housing issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small scale rehabilitation programs to main street revitalization. The projects undertaken by community development corporations are often riskier and more challenging than traditional development projects.

Public housing authorities exist in the major metropolitan areas and in small to medium sized communities throughout the State. These entities now can apply for HOME monies directly through IHFA's Housing from Shelters to Homeownership program.

The State also has several umbrella organizations that advocate for state policies and organize housing and community development activities at the state level. The Indiana Association for Community Economic Development is a membership organization for the State's housing and community development nonprofits and provides top level policy coordination, as well as training and technical assistance. The Indiana Coalition on Housing and Homeless Issues is instrumental in development and implementation of the State's policies for persons who are homeless.

Many not-for-profit organizations have become more actively engaged in delivering social services. Community mental health centers, religious and fraternal organizations and others provide support in the form of counseling, food pantries, clothing, emergency assistance, and other activities. The State's 16 Area Agencies on Aging have also become more involved in housing issues for seniors.

Overcoming gaps. Several gaps exist in the above housing and community development delivery system, especially for meeting the need for affordable housing. The primary gaps include:

- Lack of coordination and communication. Many social service providers, local business leaders and citizens continually express frustration about not knowing what programs were available and how to access those programs. Without full knowledge of available programs, it is difficult for some communities to know where to start to address their housing needs. The Committee continues to address this gap through distribution of information about resources at the annual regional public forums and including agency presentations as part of the forums' content.
- Lack of capacity for not-for-profits to accomplish community needs. In many communities, the nonprofits are the primary institutions responsible the delivery of housing and community development programs. These organizations function with limited resources, and seldom receive funding designated for administrative activities. The Committee will address this gap after the IACED research better identifies what resources are needed.

Many of the strategies and actions presented in this section are designed to address the gaps noted above. Specific initiatives include expanded training and technical assistance for nonprofits and local governments, strengthening capacity building of nonprofits through a statewide strategic plan, and offering program dollars for affordable housing and community development.

Barriers to affordable housing. See the Housing Market Analysis section of the report for a discussion of barriers to affordable housing.

Lead-based paint hazards. See the Housing Market Analysis section of the report for a discussion of lead based paint hazards and related programs and policies.

Anti-Poverty Strategy

The State of Indiana does not yet have a formally adopted, statewide anti-poverty strategy. In a holistic sense, the entirety of Indiana's Consolidated Plan Strategy and Action Plan is anti-poverty related because a stable living environment is also a service delivery platform. However, many of the strategies developed for the FY2000 five year plan (specifically goals 3 and 4) directly assist individuals who are living in poverty.

Indiana has a history of aggressively pursuing job creation through economic development efforts at the state and local levels. This emphasis on creating employment opportunities is central to a strategy to reduce poverty by providing households below the poverty level with a means of gaining sustainable employment.

Other efforts are also needed to combat poverty. Many of the strategies outlined in the Consolidated Plan are directed at providing services and shelter to those in need. Once a person has some stability in a housing situation it becomes easier to address related issues of poverty and provide resources such as child care, transportation and job training to enable individuals to enter the workforce. Indiana's community action agencies are frontline anti-poverty service providers. They work in close cooperation with State agencies to administer a variety of State and federal programs.

Education and skill development is an important aspect of reducing poverty. Investment in workforce development programs and facilities is an important step to break the cycle of poverty. Finally, there continue to be social and cultural barriers that keep people in poverty. Efforts to eliminate discrimination in all settings are important. In some cases, subsidized housing programs are vital to ensure that citizens have a safe and secure place to live.

Obstacles to Meeting Needs

The Committee faces a number of obstacles in meeting the needs outlined in the FY2004 Consolidated Plan Update:

- The housing and community needs are difficult to measure and quantify on a statewide level. The Consolidated Plan uses both qualitative and quantitative data to assess statewide needs. However, it is difficult to reach all areas of the State in one year, and the most recent data measures in some cases are a few years old. Although the Committee makes a concerted effort to receive as much input and retrieve the best data as possible, it is difficult to quantify needs on the local level. Therefore, the Committee must also rely on the number and types of applications as a measure of housing and community needs.
- The ability of certain program dollars to reach citizens is limited by the requirement that applications for funding must come from units of local government or nonprofit entities. Thus, if these entities do not perceive a significant need in their communities they may not apply for funding.
- Finally, limitations on financial resources and internal capacities at all levels can make it difficult for the State to fulfill the housing and community development needs of its communities.

Action Plan Matrices

A matrix that outlines the Consolidated Plan Strategies and Action Items for the FY2004 program year follows.

Exhibit VI-7.
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
I. Expand affordable rental housing opportunities	a. Continue funding IHFA's Housing from Shelters to Homeownership program	Evaluate annually how the program meets identified housing needs (based on number of or dollars dedicated to units produced and rehabilitated)	Proposed funding: \$4 million.
	b. Continue using Rental Housing Tax Credits to develop affordable housing	Evaluate annually how the program meets identified housing needs (based on number of or dollars dedicated to units produced and rehabilitated).	Proposed funding: \$2.4 million.
	c. Continue to preserve existing Section 8 and other expiring use properties through IHFA's work as a Participating Administrative Entity (PAE) and PBRA.	Report to Committee IHFA's accomplishments as a PAE and PBRA annually	Activities are ongoing. For FY2003, IHFA will remain a PAE and Section 8 contract administrator.

Exhibit VI-7. (continued)
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
II. Enhance affordable homeownership opportunities	a. Continue funding IHFA's Housing from Shelters to Homeownership program	Evaluate annually how the program meets identified housing needs (based on number of or dollars dedicated to homeownership for low and moderate income citizens)	Proposed funding: \$3.9 million.
	b. Continue funding IHFA's First Home program, which uses MRB and MCC to provide interest rate subsidies and down payment assistance	Evaluate annually how the program meets identified housing needs (based on number of or dollars dedicated to homeownership for low and moderate income citizens)	Program is ongoing.
	c. Explore the feasibility of establishing a statewide homebuyer counseling program	Work with IHFA to evaluate the need for the program. If a need is identified, assist IHFA in marketing of the program, especially to targeted populations	IACED, with funding from IHFA, is conducting the Homeownership Education & Counseling Initiative (HomeEC). The purpose of HomeEC is to determine the need for a statewide homeownership counseling program.
	d. Consider establishing a marketing campaign that promotes homeownership to the state's minority populations, specifically targeting African American and Hispanic homebuyers	Work with Fair Housing Task Force in consideration and potential implementation of such a campaign.	
	e. Continue using the Individual Development Account program	Evaluate the effectiveness of the program; assist with program needs; support legislative renewal	State legislature reauthorized funding for program. IACED has convened "IDA Working Groups" to provide feedback on the program.
	f. Use the Section 8 homeownership program to assist low income populations achieve homeownership.	Monitor the success of the new program in assisting the targeted populations.	

Exhibit VI-7. (continued)
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
III. Promote livable communities and community redevelopment	a. Continue funding the Community Focus Fund (CFF), which uses CDBG dollars for community development projects	Evaluate annually how the program meets identified community development needs (based on number of or dollars dedicated to certain activities); modifying components as needed	Funding will continue in FY2004.
	b. Continue funding IHFA's Housing from Shelters to Homeownership program	Evaluate annually how the program meets identified housing needs (based on number of or dollars dedicated to units produced and rehabilitated)	Proposed funding: \$10.9 million.
	c. Continue the use of the planning and community development components of the CFF and Foundations programs	Annually evaluate the need for planning grants and related studies for local governments and CHDOs and consider allocating more CDBG and HOME funds to these programs if significant gaps are identified	Proposed funding: \$0.9 million for Foundations, \$1.6 million for planning grants.
	d. Continue including rehabilitation of existing structures as a scoring preference for applications for the Rental Housing Tax Credit and Housing from Shelters to Homeownership programs		Will continue scoring preference. The QAP provides a 10 percent set aside for developments that involve rehabilitation of occupied low income housing, developments in danger of being removed, and conversion of market rate to affordable housing.
	e. Explore the feasibility of a statewide Fair Housing campaign	Work with IHFA to determine the need for such a campaign and consider accepting proposals for Fair Housing activities	Campaign will continue pending funding.
	f. Continue to promote and encourage energy efficiency through the Rental Housing Tax Credit and Housing from Shelters to Homeownership programs		Scoring preferences will continue.
	g. Continue working to reduce the environmental hazards in housing, including lead based paint risks	Support a team effort between IACED and IHFA to provide training to grantees, particularly those conducting rehabilitation, about lead based paint hazards, if such an effort is deemed feasible	Lead based paint training workshops will be continued as needed.

Exhibit VI-7. (continued)
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
IV. Enhance employment development activities	a. Continue the use of the Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation	Evaluate annually how the program meets identified community development needs (based on number of or dollars dedicated to workforce development activities)	Program is continuing.
	b. Explore using the CEDF to fund employer based skills training that is transferable	Evaluate the feasibility of such a program; make recommendations to the Committee of how to proceed; design and implement program	Have set aside \$2 million in new and basic training and \$2 million for related economic development activities (e.g., infrastructure development). Program has been very successful.
V. Strengthen and expand the state's continuum of care	a. Continue to submit an annual SuperNOFA application to fund Continuum of Care activities	Create a Continuum of Care Committee (CCC) to provide oversight and development of the Continuum of Care application and evaluate the ongoing effectiveness of funded programs	The State is working on the application for FY2004.
	b. Encourage the formation of regional continuum of care consortia to coordinate continuum of care activities	Work to establish a successful network of continuum of care providers for all identified regions in the State	Included as a goal for the Homeless Task Force.
	c. Continue statewide nonprofit training provided by ICHHI for SuperNOFA grant applications		Continuing.
	d. Expand the funding available for shelter and transitional housing development in IHFA's Housing from Shelters to Homeownership program	IHFA will increase funding for shelters and transitional housing through the program from \$3 million to \$3.5 million	Funding goal was increased to \$2.5 million for FY2004.
	e. Continue to work to improve the FSSA ESG application and scoring process to emphasize continuum of care services	FSSA to continue revisions to the application, if needed, to encourage shelter provider integration into continuum of care networks	Application was revised for FY2002 to include preferences for transitional housing and shelters for the mentally ill (based on comments from the public forums). Evaluation will be ongoing.
	f. Implement a Homeless Management Information System (HMIS) between 2002 and 2004.	Coordinate with shelters and service providers to implement a statewide HMIS.	Will continue to work on HMIS implementation.

Exhibit VI-7. (continued)
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
VI. Strengthen the safety net of housing and services for special needs groups	a. Enhance resources such as FSSA's Shelter Plus Care grants that provide rental assistance for people who are homeless or difficult to serve	Work to increase the amount of available resources for better assisting the state's special needs populations that are difficult to serve	FSSA received a second Shelter Plus Care award of \$2.2 million.
	b. Continue to participate in and solicit feedback from HIV/AIDS planning bodies.		Ongoing.
	c. Enhance technical assistance and planning activities of organizations serving special needs groups	Improve technical assistance opportunities; increase training for service providers (see full Plan for specific items)	Technical assistance is an eligible activity under HOPWA. Funding is demand based.
	d. Continue CFF funding for the development of facilities or modifications to existing buildings that benefit special needs populations and/or are required by ADA	Evaluate annually how the program meets identified needs of special populations	Funding continuing
	e. Continue to use HOPWA funding for tenant-based housing assistance, rental assistance, and direct client support	Evaluate the allocation of funds between the three program areas annually	HOPWA has been used to provide TBRA, emergency assistance, and supportive services in past program years; this will continue.
	f. Continue using IHFA's Housing from Shelters to Homeownership program for owner occupied rehabilitation	Evaluate annually how the program meets identified housing needs of special populations, especially as related to owner occupied rehabilitation	Funding continuing
	g. Explore the Home Choice program sponsored by Fannie Mae that allows more flexibility in underwriting guidelines for homeownership	Apply to Fannie Mae for participation in the HomeChoice program; if funded, evaluate pilot phase and potential expansion of the program	Received \$1 million for the pilot program. Program will be continued in FY2003.

Exhibit VI-7. (continued)
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
VI. Continued.	h. Conduct a survey targeted to the state's migrant agricultural workers, to improve upon the knowledge about the needs of this population	Administer a survey of the state's migrant farm worker population	This item has been deferred pending a new committee within the Governor's Commission on Hispanic & Latino Affairs which will address migrant farmworker needs. IHFA has also allocated \$0.3 million to migrant farmworker housing.
	i. Seek input from organizations that work with special needs populations to guide funding and program formation.		This action item was implemented during the FY2002 planning process with the addition of new committee members and will continue.
	j. Research the need for tenant-based rental assistance in nonentitlement areas.		In 2003-2004, PHA Surveys and a review of TBRA programs in other states was conducted. Research is continuing.
	k. Explore the option and need for increasing the amount of downpayment assistance for persons with disabilities.		This is deferred to the Five Year Plan.
	l. Explore giving preferences to job training programs that work with persons with disabilities.		Will explore educational efforts for employers in 2007.
	m. Include youth as a special needs population in the Consolidated Plan.		Accomplished in 200X. Research will continue.
	n. Ensure that the State Allocation Plans are consistent with the Americans with Disabilities Act.		Ongoing.
	o. Monitor efforts to establish a statewide housing trust fund.		

Exhibit VI-7. (continued)
Strategies and Action Matrix,
FY2000 Five Year Plan, 2004 Action Plan

Goals	Strategies	Action Items	FY2004 Goals & Progress
VII. Enhance the local capacity for housing and community development	a. Continue using CDBG funds for technical assistance.	Determine the need for technical assistance and training, especially as related to environmental issues. If a need is identified, increase funding in these areas	Program is continuing.
	b. Continue providing funding for application training and technical assistance and CHDO training and capacity building activities	IHFA will evaluate the need for both training and technical assistance and continue to fund these programs to the extent allowed by the requirements of the funding source	Training is continuing.
	c. Continue providing HOPWA training and technical assistance	Improve technical assistance opportunities; increase training for service providers (see full Plan for specific items)	Currently provide training to potential grantees upon request.
	d. Continue the statewide forum on grant applications sponsored by FSSA		Program is ongoing. The forums are conducted once a year, after the applications are released.
	e. Continue the technical assistance provided by the IN Technical Assistance Consortium	Evaluate the needs of CHDOs through feedback from training provided by the IN Technical Assistance Consortium	Ongoing.
	f. Continue to include as part of the Consolidated Plan regional forums presentations by agencies on programs, application processes.		Ongoing.
	g. Explore providing more direct training for ESG grantees	Evaluate if grantees require additional training and technical assistance and, if so, establish a training program based on those provided by other HUD programs	Ongoing.
	h. Explore the creation of core operating fund for not-for-profits	Explore the feasibility of establishing a core operating fund for not-for-profit entities in the state the provide housing and community development services to the state's low income and special needs populations	IACED recently conducted a capacity building study for state's CD nonprofits. Goal of study was to develop a business plan and identify system resources of supporting nonprofits on a statewide level. Results will be used by the Committee to evaluate this task.

